

# Allianz Global Investors

## Fund VII

**Termination Report and Audited Financial Statements  
for the period from 1 January 2019 to 31 January 2020**

Carne Global Fund Managers (Ireland) Limited

The Board of Directors of the Management Company had assessed the measures included in the voluntary Corporate Governance Code for Collective Investments Schemes and Management Companies as published by Irish Funds in December 2011 (the "Code"). The Board of Directors of the Management Company had adopted all corporate governance practices and procedures in the Code.

# General Information

Allianz Global Investors Fund VII (the "Trust") was an open-ended Unit trust established under Irish law and constituted by a trust deed dated 29 January 1997, as amended, restated and replaced by a trust deed dated 16 September 2004, and subsequently amended, restated and replaced by a second trust deed dated 1 March 2018 (the "Trust Deed"). It was authorised by the Central Bank of Ireland (the "Central Bank") as an Undertaking for Collective Investment in Transferable Securities ("UCITS") in accordance with the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"). The Trust was established and authorised by the Central Bank on 30 January 1997. The Trust was organised in the form of an umbrella fund and may have comprised of a number of sub-funds (each a "Fund", collectively the "Funds").

The Trust was made up of the following Fund:

- Allianz Emerging Markets Bond Fund (the "Fund"), which terminated on 30 October 2019.

The figures presented in this report relate to the period from 1 January 2019 to 31 January 2020.

A revised Prospectus was issued on 22 March 2019. The updates included minor housekeeping changes, Investor Profile changes to align to market standards regarding MiFID II language, and added the UK to the list of recognised markets where necessary.

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# Performance

Name of the Fund	Unit Class	Launch date	Termination date	Current Period 31/12/2018- 30/10/2019 Performance in % <sup>1)</sup>	1 year (31/12/2017- 31/12/2018) Performance in % <sup>1)</sup>
Allianz Emerging Markets Bond Fund	A (H2-EUR)	31/01/1997	30/10/2019	9.45	-10.71
	AT (H2-EUR)	09/04/2014	30/10/2019	9.44	-10.71
	I (H2-EUR)	24/03/2004	30/10/2019	10.07	-10.15
	IT2 (H2-EUR)	05/10/2016	30/10/2019	10.14	-10.13
	P (H2-EUR)	27/05/2014	30/10/2019	9.95	-10.18
	R (H2-EUR)	27/04/2015	30/10/2019	10.06	-10.13
	WT (H2-EUR)	21/09/2017	30/10/2019	10.29	-9.97
	W (H2-GBP)	29/03/2019	30/10/2019	-	-
	IT (USD)	15/02/2017	30/10/2019	12.84	-7.61

<sup>1)</sup> The calculation is based on the net asset value per unit (excluding sales charge), assuming distributions, if any, were reinvested. The performance is calculated according to the method recommended by the German BVI (Bundesverband Investment und Asset Management e.V.). No calculation has been annualised.

Past performance is no indication of current performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units.

2 years (31/12/2016- 31/12/2018) Performance in % <sup>1)</sup>	3 years (31/12/2015- 31/12/2018) Performance in % <sup>1)</sup>	5 years (31/12/2013- 31/12/2018) Performance in % <sup>1)</sup>	10 years (31/12/2008- 31/12/2018) Performance in % <sup>1)</sup>	Launch date - 31/12/2018 Performance in % <sup>1)</sup>
-4.11	5.50	1.64	67.77	220.76
-4.03	5.61	-	-	-2.80
-2.88	7.57	5.02	79.00	102.55
-2.67	-	-	-	-6.86
-2.93	7.52	-	-	100.01
-3.00	7.39	-	-	-0.83
-	-	-	-	-9.46
-	-	-	-	-
-	-	-	-	-1.11

# Allianz Emerging Markets Bond Fund

The Fund invested mainly in emerging market bonds. Its investment objective was to attain above-average capital growth over the long term.

In the reporting period, from the end of the last financial year 31 December 2018 until the merger of the Fund with Allianz Emerging Markets Sovereign Bond on 30 October 2019, the returns on bonds from developed countries saw an overall decrease. This was due to the slowdown in the global economy and concerns regarding the outcome of the trade conflict between the US and China. In this context, bonds from emerging markets offering high yields were in high demand and generally yielded very positive results.

The securities portfolio of the Fund continued to have a strong focus on Latin American bonds. However, the position in Argentina was reduced, which aided the holdings in Brazil, Colombia and Ecuador in particular. In Eastern Europe, the weighting of Polish and Ukrainian bonds was increased, while Russia's was reduced. The initial position in Turkey was closed while exposure to South Africa was increased. In the Asia-Pacific region, Chinese and Indonesian securities continued to be well represented.

Most of the interest-bearing securities had a credit rating in the lower investment grade range. In addition, securities with lower credit ratings were represented, with a significant reduction of the position in rating category B. As a result, the average credit rating of the securities positions in the Fund most recently increased from BB+ to BBB. The duration (average maturity) of the portfolio was slightly extended on balance and was around seven and a half years at the reporting date. Derivatives were used to manage the effective exposure to the bond markets of each country. Apart from a few exceptions, all bond positions were denominated in US Dollars. The liquidity ratio increased significantly.

With its investment policy, the Fund rose significantly in value. The exact result in the period under review is reported in the "Performance" table on page 2.

## The Fund in Figures

	31/01/2020	31/12/2018	31/12/2017	
Net asset value per Unit in EUR				
- A (H2-EUR) Units <sup>1)</sup>	ISIN: IE0032828273 <sup>2)</sup> / WKN: 986790 <sup>3)</sup>	-	48.28	55.43
- AT (H2-EUR) Units <sup>1)</sup>	ISIN: IE00BJ358T96 <sup>2)</sup> / WKN: A1XESM <sup>3)</sup>	-	97.21	108.86
- I (H2-EUR) Units <sup>1)</sup>	ISIN: IE0034110852 <sup>2)</sup> / WKN: A0BMD0 <sup>3)</sup>	-	89.00	105.08
- IT2 (H2-EUR) Units <sup>1)</sup>	ISIN: IE00BD1F4S06 <sup>2)</sup> / WKN: A2AP7W <sup>3)</sup>	-	931.45	1,036.40
- P (H2-EUR) Units <sup>1)</sup>	ISIN: IE00BLT2JB74 <sup>2)</sup> / WKN: A113AM <sup>3)</sup>	-	790.95	900.67
- R (H2-EUR) Units <sup>1)</sup>	ISIN: IE00BW0DJ725 <sup>2)</sup> / WKN: A14PPR <sup>3)</sup>	-	87.39	97.85
- WT (H2-EUR) Units <sup>1)</sup>	ISIN: IE00BYXD1336 <sup>2)</sup> / WKN: A2DU9E <sup>3)</sup>	-	905.36	1,005.60
Net asset value per Unit in GBP				
- W (H2-GBP) Units <sup>1),4)</sup>	ISIN: IE00BGMHJQ98 <sup>2)</sup> / WKN: A2PE68 <sup>3)</sup>	-	-	-
Net asset value per Unit in USD				
- IT (USD) Units <sup>1)</sup>	ISIN: IE00BDRVSM42 <sup>2)</sup> / WKN: A2DKRE <sup>3)</sup>	-	988.91	1,070.36
Units in issue <sup>5)</sup>		-	2,749,486	8,432,901
Net Assets in USD m.		-	238.7	861.7

<sup>1)</sup> Liquidation date: 30 October 2019.

<sup>2)</sup> ISIN is the International Security Identification Number for the Unit class of the Fund.

<sup>3)</sup> WKN is the German reference number for the Unit class of the Fund.

<sup>4)</sup> Launch date: 29 March 2019.

<sup>5)</sup> Accumulated figures for all classes of Units of the Fund.

# Allianz Emerging Markets Bond Fund

Acquisitions and disposals of transferable securities (classification as per reporting date) no longer held in the investment portfolio at the end of the reporting period (Unaudited)

Transferable Securities	Currency	Acquisitions in 1,000	Disposals in 1,000
<b>Transferable securities listed on an official stock exchange</b>			
<b>Bonds</b>			
<b>Euro</b>			
2.9490 % Gazprom OAO Via Gaz Capital SA 24.01.24	EUR		2,300
5.8750 % Ivory Coast Government International Bond 17.10.31	EUR	900	900
6.8750 % Ivory Coast Government International Bond 17.10.40	EUR	3,000	3,000
1.6250 % Mexico Government International Bond 08.04.26	EUR	1,600	1,600
2.8750 % Mexico Government International Bond 08.04.39	EUR	1,400	1,400
3.7500 % Petroleos Mexicanos 16.04.26	EUR	2,300	2,300
5.5000 % Petroleos Mexicanos 24.02.25	EUR	4,000	4,000
2.0000 % Saudi Government International Bond 09.07.39	EUR	7,000	7,000
1.5000 % Serbia International Bond 26.06.29	EUR	900	900
6.7500 % Ukraine Government International Bond 20.06.26	EUR	900	900
<b>Peruvian Nuevo Sol</b>			
5.9400 % Peru Government Bond 12.02.29	PEN	9,550	20,450
6.1500 % Peru Government Bond 12.08.32	PEN	38,650	38,650
<b>Russian Ruble</b>			
7.0500 % Russian Federal Bond - OFZ 19.01.28	RUB	899,750	899,750
<b>United States Dollar</b>			
3.1250 % Abu Dhabi Government International Bond 30.09.49	USD	16,750	16,750
6.7500 % AES El Salvador Trust II 28.03.23	USD		250
8.2500 % Angolan Government International Bond 09.05.28	USD	3,800	4,500
9.3750 % Angolan Government International Bond 08.05.48	USD	3,700	4,700
9.5000 % Angolan Government International Bond 12.11.25	USD	1,300	2,150
6.8750 % Argentine Republic Government International Bond 11.01.48	USD	14,200	14,200
7.1250 % Argentine Republic Government International Bond 06.07.36	USD	2,100	6,200
7.5000 % Argentine Republic Government International Bond 22.04.26	USD	3,000	8,300
2.6250 % Brazilian Government International Bond 05.01.23	USD	10,500	16,000
4.5000 % Brazilian Government International Bond 30.05.29	USD	5,600	5,600
5.6250 % Brazilian Government International Bond 21.02.47	USD	14,150	17,350
4.8750 % BRF SA 24.01.30	USD	1,200	1,200
3.1250 % Chile Government International Bond 27.03.25	USD	5,000	8,450
3.5000 % Chile Government International Bond 25.01.50	USD	400	400
4.0000 % Chinalco Capital Holdings Ltd 25.08.21	USD	1,100	3,350
3.8750 % CITIC Ltd 28.02.27	USD	2,600	2,600
4.6250 % CNAC HK Finbridge Co Ltd 14.03.23	USD	6,650	9,550
2.6250 % Colombia Government International Bond 15.03.23	USD	7,700	11,450
3.8750 % Colombia Government International Bond 25.04.27	USD	24,200	29,200
5.0000 % Colombia Government International Bond 15.06.45	USD	4,650	6,650
3.6250 % Corp Nacional del Cobre de Chile 01.08.27	USD	5,450	7,450
3.9700 % CRCC Chengan Ltd 27.06.24	USD	5,550	5,550
5.5000 % Dominican Republic International Bond 27.01.25	USD	300	2,300
5.8750 % Dominican Republic International Bond 18.04.24	USD	300	1,900
5.9500 % Dominican Republic International Bond 25.01.27	USD	23,650	28,200
6.4000 % Dominican Republic International Bond 05.06.49	USD	5,100	5,100
6.5000 % Dominican Republic International Bond 15.02.48	USD	3,900	3,900
7.8750 % Ecuador Government International Bond 23.01.28	USD	34,950	42,600
9.5000 % Ecuador Government International Bond 27.03.30	USD	7,050	7,050
6.8750 % Egypt Government International Bond 30.04.40	USD	14,050	20,000
7.5000 % Egypt Government International Bond 31.01.27	USD	1,500	3,000
7.6003 % Egypt Government International Bond 01.03.29	USD	9,000	9,000
7.9030 % Egypt Government International Bond 21.02.48	USD	700	2,850
8.5000 % Egypt Government International Bond 31.01.47	USD	16,400	16,400
6.3750 % El Salvador Government International Bond 18.01.27	USD	6,700	10,450
7.1246 % El Salvador Government International Bond 20.01.50	USD	2,650	2,650
7.6250 % El Salvador Government International Bond 01.02.41	USD	500	1,050
4.2500 % Empresas Publicas de Medellin ESP 18.07.29	USD	3,500	3,500
6.7500 % Eskom Holdings SOC Ltd 06.08.23	USD	3,450	3,450
7.8750 % Ghana Government International Bond 07.08.23	USD	200	1,700
7.8750 % Ghana Government International Bond 26.03.27	USD	1,800	1,800
8.1250 % Ghana Government International Bond 26.03.32	USD	6,950	6,950
8.6270 % Ghana Government International Bond 16.06.49	USD	1,900	3,400
4.8750 % Guatemala Government Bond 13.02.28	USD	800	1,800
6.2500 % Honduras Government International Bond 19.01.27	USD	900	1,900
5.5000 % Huarong Finance II Co Ltd 16.01.25	USD	2,150	2,150
5.3750 % Hungary Government International Bond 25.03.24	USD	6,550	9,550
7.6250 % Hungary Government International Bond 29.03.41	USD	2,200	3,650

**Acquisitions and disposals of transferable securities (classification as per reporting date) no longer held in the investment portfolio at the end of the reporting period (Unaudited) (continued)**

Transferable Securities	Currency	Acquisitions in 1,000	Disposals in 1,000
3.5000 % Indonesia Government International Bond 11.01.28	USD	8,700	12,800
4.6250 % Indonesia Government International Bond 15.04.43	USD	6,200	7,600
5.1250 % Indonesia Government International Bond 15.01.45	USD	1,000	1,900
5.2500 % Indonesia Government International Bond 08.01.47	USD	14,700	14,700
5.8000 % Iraq International Bond GDN SNR 15.01.28	USD	15,950	17,700
6.3750 % Ivory Coast Government International Bond 03.03.28	USD	12,550	17,850
6.7500 % Jamaica Government International Bond 28.04.28	USD	13,200	14,700
7.6250 % Jamaica Government International Bond 09.07.25	USD	200	1,200
7.8750 % Jamaica Government International Bond 28.07.45	USD	5,250	5,750
5.7500 % JBS Investments II GmbH 15.01.28	USD	1,400	1,400
5.7500 % Jordan Government International Bond 31.01.27	USD	2,750	3,900
7.3750 % Jordan Government International Bond 10.10.47	USD	1,450	2,200
4.8750 % Kazakhstan Government International Bond 14.10.44	USD	11,300	13,800
5.1250 % Kazakhstan Government International Bond 21.07.25	USD	12,400	14,750
5.7500 % KazMunayGas National Co JSC 19.04.47	USD	2,100	3,600
7.2500 % Kenya Government International Bond 28.02.28	USD	2,200	4,350
8.0000 % Kenya Government International Bond 22.05.32	USD	21,710	21,710
2.5000 % Korea International Bond 19.06.29	USD	8,200	8,200
3.5000 % Kuwait International Government Bond 20.03.27	USD	15,550	20,500
6.2000 % Lebanon Government International Bond 26.02.25	USD	12,650	20,850
7.2500 % Lebanon Government International Bond 23.03.37	USD	15,950	15,950
3.1790 % Malaysia Sukuk Global Bhd 27.04.26	USD	2,250	5,700
4.5000 % Mexico Government International Bond 22.04.29	USD	7,950	7,950
5.1250 % Mongolia Government International Bond 05.12.22	USD	950	2,450
5.6250 % Mongolia Government International Bond 01.05.23	USD	19,500	20,500
5.5000 % Morocco Government International Bond 11.12.42	USD	2,900	2,900
5.2500 % Namibia International Bonds 29.10.25	USD	2,950	5,450
6.5000 % Nigeria Government International Bond 28.11.27	USD	11,850	14,400
7.1430 % Nigeria Government International Bond 23.02.30	USD	9,900	9,900
7.6250 % Nigeria Government International Bond 21.11.25	USD		3,850
7.6250 % Nigeria Government International Bond 28.11.47	USD	1,500	3,150
3.1600 % Panama Government International Bond 23.01.30	USD	11,200	11,200
3.7500 % Panama Government International Bond 16.03.25	USD	8,700	13,400
3.8700 % Panama Government International Bond 23.07.60	USD	11,100	11,100
4.3000 % Panama Government International Bond 29.04.53	USD	3,650	6,150
5.0000 % Paraguay Government International Bond 15.04.26	USD	4,600	5,850
5.4000 % Paraguay Government International Bond 30.03.50	USD	5,850	5,850
6.1000 % Paraguay Government International Bond 11.08.44	USD	3,700	7,600
4.1250 % Perusahaan Listrik Negara PT 15.05.27	USD	8,850	13,550
4.8750 % Perusahaan Listrik Negara PT 17.07.49	USD	2,200	2,200
4.1250 % Peruvian Government International Bond 25.08.27	USD	350	1,850
5.6250 % Peruvian Government International Bond 18.11.50	USD	300	1,550
5.7500 % Petrobras Global Finance BV 01.02.29	USD	7,100	7,100
6.0000 % Petroleos de Venezuela 16.05.24	USD	700	9,700
6.3500 % Petroleos Mexicanos 12.02.48	USD	9,150	9,150
6.5000 % Petroleos Mexicanos 23.01.29	USD	14,000	14,000
6.8400 % Petroleos Mexicanos 23.01.30	USD	17,000	17,000
7.6900 % Petroleos Mexicanos 23.01.50	USD	1,900	1,900
3.0000 % Philippine Government International Bond 01.02.28	USD	4,650	7,650
3.9500 % Philippine Government International Bond 20.01.40	USD	10,200	15,200
5.2500 % Power Finance Corp Ltd 10.08.28	USD	4,250	4,250
3.7500 % Promigas SA ESP / Gases del Pacifico SAC 16.10.29	USD	800	800
4.0000 % Qatar Government International Bond 14.03.29	USD	18,000	18,000
4.8170 % Qatar Government International Bond 14.03.49	USD	7,500	7,500
3.5000 % Republic of Azerbaijan International Bond 01.09.32	USD	20,750	20,750
4.7500 % Republic of Azerbaijan International Bond 18.03.24	USD	800	1,800
6.2000 % Republic of Belarus International Bond 28.02.30	USD	5,400	6,900
3.0000 % Republic of Poland Government International Bond 17.03.23	USD	4,450	7,450
3.2500 % Republic of Poland Government International Bond 06.04.26	USD	8,300	11,300
4.3000 % Republic of South Africa Government International Bond 12.10.28	USD	9,300	12,950
4.8500 % Republic of South Africa Government International Bond 27.09.27	USD	550	1,550
5.3750 % Republic of South Africa Government International Bond 24.07.44	USD	1,650	2,900
5.7500 % Republic of South Africa Government International Bond 30.09.49	USD	6,000	6,000
4.7500 % Republic of Uzbekistan Bond 20.02.24	USD	7,750	7,750
5.3750 % Republic of Uzbekistan Bond 20.02.29	USD	9,200	9,200
6.1250 % Romanian Government International Bond 22.01.44	USD	900	2,150
4.8750 % Russian Foreign Bond - Eurobond 16.09.23	USD	6,400	11,600

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



**Acquisitions and disposals of transferable securities (classification as per reporting date) no longer held in the investment portfolio at the end of the reporting period (Unaudited) (continued)**

Transferable Securities	Currency	Acquisitions in 1,000	Disposals in 1,000
5.6250 % Russian Foreign Bond - Eurobond 04.04.42	USD	3,200	7,200
3.5000 % Saudi Arabian Oil Co 16.04.29	USD	1,600	1,600
4.3750 % Saudi Arabian Oil Co 16.04.49	USD	3,800	3,800
3.6250 % Saudi Government International Bond 04.03.28	USD	14,650	16,800
4.6250 % Saudi Government International Bond 04.10.47	USD	3,300	3,300
3.8540 % Sharjah Sukuk Program Ltd 03.04.26	USD	2,550	2,550
3.2500 % Sinopec Group Overseas Development 2015 Ltd 28.04.25	USD	6,100	9,200
3.6800 % Sinopec Group Overseas Development 2018 Ltd 08.08.49	USD	3,600	3,600
2.8750 % State Grid Overseas Investment 2016 Ltd 18.05.26	USD	600	3,800
6.9500 % State Oil Co of the Azerbaijan Republic 18.03.30	USD	2,350	3,350
5.7500 % TBC Bank JSC 19.06.24	USD	1,200	1,200
4.8750 % Turkey Government International Bond 16.04.43	USD	3,500	12,050
7.7500 % Ukraine Government International Bond 01.09.21	USD	2,900	5,600
7.7500 % Ukraine Government International Bond 01.09.23	USD	17,350	23,150
7.7500 % Ukraine Government International Bond 01.09.27	USD	12,250	12,250
4.3750 % Uruguay Government International Bond 27.10.27	USD	4,350	10,000
4.3750 % Uruguay Government International Bond 23.01.31	USD	12,022	12,022
5.1000 % Uruguay Government International Bond 18.06.50	USD	1,650	3,900
7.0000 % Venezuela Government International Bond 31.03.38	USD	750	3,750
9.0000 % Venezuela Government International Bond 07.05.23	USD		0
9.2500 % Venezuela Government International Bond 15.09.27	USD	500	3,700
4.8000 % Vietnam Government International Bond 19.11.24	USD	10,650	13,000
<b>Transferable securities trading on a regulated market</b>			
<b>United States Dollar</b>			
3.6250 % Korea Expressway Corp 22.10.21	USD	1,400	3,700
<b>Other transferable securities of the type referred to in Regulation 68(1)(a), (b) and (c)</b>			
<b>United States Dollar</b>			
3.5000 % Republic of Azerbaijan International Bond 01.09.32	USD		2,018
<b>Money Market Instruments</b>			
<b>Commercial Papers</b>			
0.0001 % Agrokor DD 16.08.18	EUR		1,000

**Statement of Comprehensive Income\***

for the period from 01/01/2019 - 31/01/2020

	Notes	01/01/2019 - 31/01/2020	01/01/2018 - 31/12/2018
		USD	USD
<b>Income</b>			
Interest income	1 (iii)	18,863,035.32	23,516,986.67
Misc Income		8,081.24	0.00
Realised and unrealised gains/losses		7,826,351.63	-72,079,452.40
		<b>26,697,468.19</b>	<b>-48,562,465.73</b>
<b>Expenses</b>			
All-in-Fee <sup>1)</sup>	2	4,263,672.78	4,300,334.45
		<b>4,263,672.78</b>	<b>4,300,334.45</b>
<b>Net income/loss from operations before finance costs</b>		<b>22,433,795.41</b>	<b>-52,862,800.18</b>
<b>Finance Costs:</b>			
Distributions paid to Unitholders	4	-12,370,816.46	-22,422,121.08
Equalisation		-13,183,734.38	-16,420,788.39
Interest paid		-12,360.68	-152,012.12
<b>Net loss before Tax</b>		<b>-3,133,116.11</b>	<b>-91,857,721.77</b>
<b>Taxation</b>			
Withholding Tax		18,175.18	44,245.92
<b>Decrease in amounts owing to Unitholders due to investment activities</b>		<b>-3,114,940.93</b>	<b>-91,813,475.85</b>

The Statement of Comprehensive Income reflects all gains and losses recognised in these Financial Statements and all activity arising from discontinuing operations.

\*Allianz Emerging Markets Bond Fund terminated on 30 October 2019.

<sup>1)</sup> Please refer to page 14 for further information on the Fee Structure.

**Statement of Financial Position\***

as at 31/01/2020

	Notes	31/01/2020 USD	31/12/2018 USD
<b>Assets</b>			
Investments in transferable securities (Historical Cost: 31/01/2020: USD 0.00)	8	0.00	225,764,019.21
Money Market Instruments (Historical Cost: 31/01/2020: USD 0.00)	8	0.00	0.11
Cash at bank and on deposit		0.00	8,410,828.97
Accrued interest income		0.00	3,464,263.96
Amounts receivable on Units issued		0.00	1,943.75
Unrealised gain on derivative contracts	6	0.00	3,754,764.93
<b>Total assets</b>		<b>0.00</b>	<b>241,395,820.93</b>
<b>Liabilities</b>			
Cash due to brokers and counterparties for open derivative positions		0.00	1,017.69
Amounts payable on Units redeemed		0.00	1,225,158.68
Unrealised loss on derivative contracts	6	0.00	1,261,478.73
Expenses payable		0.00	196,442.23
<b>Total liabilities (excluding net assets owing to Unitholders)</b>		<b>0.00</b>	<b>2,684,097.33</b>
<b>Net assets owing to Unitholders</b>		<b>0.00</b>	<b>238,711,723.60</b>

\*Allianz Emerging Markets Bond Fund terminated on 30 October 2019.

	01/01/2019-30/10/2019*					
	A (H2-EUR) Units	AT (H2-EUR) Units	I (H2-EUR) Units	IT (USD) Units	IT2 (H2-EUR) Units	P (H2-EUR) Units
Number of Units in issue at the beginning of the period	1,973,384	29,216	692,090	20,192	1	167
Number of Units issued	3,682,085	460,945	1,734,496	3,858	22,358	6,543
Number of Units redeemed	-5,655,469	-490,161	-2,426,586	-24,050	-22,359	-6,710
<b>Number of Units in issue at the end of the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* All classes terminated on 30 October 2019.

	01/01/2019-30/10/2019*		
	R (H2-EUR) Units	W (H2-GBP) Units	WT (H2-EUR) Units
Number of Units in issue at the beginning of the period	145	0	34,291
Number of Units issued	14,822	10	58,674
Number of Units redeemed	-14,967	-10	-92,965
<b>Number of Units in issue at the end of the period</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* All classes terminated on 30 October 2019.

	01/01/2018-31/12/2018					
	A (H2-EUR) Units	AT (H2-EUR) Units	I (H2-EUR) Units	IT (USD) Units	IT2 (H2-EUR) Units	P (H2-EUR) Units
Number of Units in issue at the beginning of the period	4,449,568	131,714	3,791,013	1	1	700
Number of Units issued	207,058	118,030	287,351	20,191	0	26
Number of Units redeemed	-2,683,242	-220,528	-3,386,274	0	0	-559
<b>Number of Units in issue at the end of the period</b>	<b>1,973,384</b>	<b>29,216</b>	<b>692,090</b>	<b>20,192</b>	<b>1</b>	<b>167</b>

	01/01/2018-31/12/2018	
	R (H2-EUR) Units	WT (H2-EUR) Units
Number of Units in issue at the beginning of the period	155	59,749
Number of Units issued	0	36,158
Number of Units redeemed	-10	-61,616
<b>Number of Units in issue at the end of the period</b>	<b>145</b>	<b>34,291</b>

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

**Statement of Movement in Net Assets\***

for the period from 01/01/2019 - 31/01/2020

	01/01/2019 - 31/01/2020	01/01/2018 - 31/12/2018
	USD	USD
Opening net assets owing to Unitholders	238,711,723.60	861,747,854.95
Subscriptions	515,331,658.74	123,007,883.90
Redemptions	-750,928,441.41	-654,230,539.40
Decrease in amounts owing to Unitholders due to investment activities	-3,114,940.93	-91,813,475.85
<b>Closing net assets owing to Unitholders</b>	<b>0.00</b>	<b>238,711,723.60</b>

\*Allianz Emerging Markets Bond Fund terminated on 30 October 2019.

# Notes to the Financial Statements

## 1. Accounting Policies

### (i) Basis of preparation

The Fund of the Trust, Allianz Emerging Markets Bond merged with Allianz Emerging Markets Sovereign Bond (the "Receiving Fund") on 30 October 2019. All net assets of the Fund were transferred to the Receiving Fund in Luxembourg. As a result these financial statements have been prepared on a termination basis of accounting, the going concern basis of accounting is no longer appropriate.

These financial statements have been prepared for the period from 1 January 2019 to 31 January 2020.

The functional and presentational currency of the Trust and the Fund was the US Dollar (USD) (the "Base Currency").

### Statement of compliance

These Financial Statements have been prepared in accordance with the Financial Reporting Standard 102; the FRS applicable in the UK and Republic of Ireland ("FRS 102"), UCITS Regulations and the Central Bank UCITS Regulations.

Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Trust continued to avail of the exemption available to open-ended investment funds under FRS 102 and is not presenting a cash flow statement.

### (ii) Valuation of Investments

All of the Fund's investments were categorised as being within the "fair value through profit or loss" category. The category of financial assets and liabilities at fair value through profit or loss comprises financial instruments held for trading, which means that realised and unrealised gains and losses on investments are included in the Statement of Comprehensive Income. The acquisition and disposal of investments was recognised on their trade date and the associated transaction costs were expensed. Investments were initially accounted for at cost and thereafter valued at the last traded market prices.

Financial assets that were not at fair value through profit or loss were classified as receivables and shown at amortised cost and include deposits, and accounts receivable.

Financial liabilities that were not at fair value through profit or loss include accounts payable and financial liabilities arising on redeemable Units.

Investments in open-ended investment funds were valued at fair value at the latest available unaudited net asset value for the Units obtained from the relevant administrator, where there were frequent and regular redemptions of these schemes. The changes in the daily net asset value of these Units are recognised as unrealised gains and losses on investment activities in the Statement of Comprehensive Income.

The Fund recognised a financial asset or financial liability when it became party to a contract. The Fund derecognised financial assets or financial liabilities when its rights or obligations ceased.

### (iii) Investment income

All income was accounted for on an accruals basis. Interest income includes the amortisation of any premium or discount on securities. Income is stated before deduction of withholding taxes which are shown separately, if any, on the Statement of Comprehensive Income.

Interest income on debt instruments at fair value through profit or loss was accrued using the original effective interest rate and classified to the interest income line item within the Statement of Comprehensive Income.

### (iv) Foreign currencies

Investment activities denominated in foreign currencies were translated into the Fund's functional and presentational currency at the rate of exchange ruling at the date of the transaction.

Assets and liabilities were reported at the rates of exchange prevailing at the period-end date. Any gain or loss arising from a change in exchange rates is included in the Statement of Comprehensive Income in the line "Realised and unrealised gains/losses".

#### (v) Units in Issue

All redeemable Units issued by the Fund provided the investors with the right to require redemption for cash at the value proportionate to the investor's Units in the Fund's net assets at each daily redemption date and also in the event of the Fund's liquidation.

All of the Units of the Trust were classified as liability in accordance with "Financial Instruments: Disclosures and Presentation". The standard requires entities to classify puttable financial instruments, or components of instruments that impose on the entity an obligation to deliver to another party, a pro rata share of the net assets of the entity only on termination, as equity, provided the financial instruments have particular features and meet specific conditions. The Units of the Trust did not meet these specific conditions and accordingly were classified as liability.

#### (vi) Forward Currency Contracts

Allianz Emerging Markets Bond Fund utilised forward currency contracts for Unit class currency hedging and for portfolio purposes. The unrealised appreciation or depreciation on forward currency contracts was calculated by reference to the difference between the contracted rate and the forward rate to close out the contract as at the period end. Realised and unrealised gains and losses on forward currency contracts are included in the Statements of Comprehensive Income.

#### (vii) Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or liability is recognised initially, an entity shall measure it at its fair value through profit or loss with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

Transaction costs on the purchase and sale of futures contracts are included in realised and unrealised gains/losses in the Statement of Comprehensive Income. These costs are included within the transaction costs disclosure on page 16.

Transaction costs on the purchase and sale of bonds, forward currency contracts and money market instruments are included in the purchase and sale price of the investment. These costs cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

#### (viii) Equalisation

An equalisation account was operated in connection with the issue and redemption of Units. The income element is recognised in the financial statements in the Statement of Movement in Net Assets.

#### (ix) Fair Valuation Hierarchy

FRS 102 'Fair Value' sets out the application of the fair value hierarchy in which fair value measurements are categorised for its financial assets and liabilities. The hierarchy seeks to categorise financial assets and liabilities into levels 1, 2 and 3 based on the definitions for each level as set out in FRS 102.

Please see further disclosure on page 20.

## 2. Fee Structure

The Fund operated an All-in-Fee. The All-in-Fee was a flat fee, which covered all the external costs of the Fund.

The applicable All-in-Fee per annum of the average daily Net Asset Value of the Fund for each Class of Units is shown in the table below:

Fund name	Unit class & currency	All-in-Fee in % p.a.
Allianz Emerging Markets Bond Fund <sup>1)</sup>	A (H2-EUR)	1.45
	AT (H2-USD)	1.45
	I (H2-EUR)	0.78
	IT (USD)	0.78
	IT2 (H2-EUR)	0.78
	P (H2-EUR)	0.78
	R (H2-EUR)	0.79
	WT (H2-EUR)	0.57
	W (H2-GBP)	0.57

<sup>1)</sup> Allianz Emerging Markets Bond Fund terminated on 30 October 2019.

The All-in-Fee may have been used in part to pay fees for the distribution of Units (such as the payment of trail fees). In addition, reimbursements of fees could have been made to investors subject to the laws and regulations of Ireland.

The All-in-Fee covered the following fees and expenses, which were not charged separately to the Fund:

- management fees
- distribution fees
- Depositary Fees
- Registrar and Transfer Agent Fees
- Administration company Fees
- Formation expenses
- costs for the production (including translations) and mailing of prospectuses and key investor information documents, annual and interim reports

- publication costs of prospectuses, key investor information documents and other sales documentation, annual, semi-annual and interim reports, client communications, tax information and Subscription and Redemption Prices
- costs of auditing the Fund and legal fees and expenses (except for the fees and expenses associated with the assertion and enforcement of legal rights)
- paying and information agent fees and expenses (which must be charged at normal commercial rates)
- costs of registrations for public distributions and the maintenance of such registrations
- costs related to acquiring and maintaining a status entitling the Fund to invest directly in assets in a particular country as well as costs and taxes incurred in connection with the administration and custody of such facilities and
- all other fees and expenses incurred in connection with the operation of the Funds.

The remuneration for work carried out by the statutory audit firm in respect of the statutory audit of the Trust's financial statements for the period ended 31 January 2020 is EUR 12,000 excl. VAT.



### 3. Ongoing Charges

Ongoing charges were the costs incurred in the management of the Fund and charged to the Fund (or the respective share class) during the preceding financial year (excluding transaction costs) and are expressed as a percentage of the average volume of the Fund (or of the respective share class) ("ongoing charges"). The following table below shows the ongoing charges incurred by the Fund during the financial period ended 31 January 2020 and financial year ended 31 December 2018.

Name of the Fund	Unit class	Ongoing Charges excluding performance-related fee in % 31/01/2020	Ongoing Charges excluding performance-related fee in % 31/12/2018	Performance -related fee in % p.a. 31/01/2020	Performance -related fee in % p.a. 31/12/2018	Ongoing Charges in % p.a. 31/01/2020	Ongoing Charges in % p.a. 31/12/2018
Allianz Emerging Markets Bond Fund <sup>1)</sup>	A (H2-EUR)	1.44	1.45	-	-	1.44	1.45
	AT (H2-EUR)	1.45	1.45	-	-	1.45	1.45
	I (H2-EUR)	0.78	0.78	-	-	0.78	0.78
	IT (USD)	0.78	0.78	-	-	0.78	0.78
	IT2 (H2-EUR)	0.77	0.75	-	-	0.77	0.75
	P (H2-EUR)	0.76	0.78	-	-	0.76	0.78
	R (H2-EUR)	0.79	0.78	-	-	0.79	0.78
	W (H2-GBP) <sup>2)3)</sup>	0.58	-	-	-	0.58	-
WT (H2-EUR)	0.57	0.57	-	-	0.57	0.57	

<sup>1)</sup> Allianz Emerging Markets Bond Fund terminated on 30 October 2019.

<sup>2)</sup> Launch date 29 March 2019.

<sup>3)</sup> Ongoing charges for W (H2-GBP) Unit class have been annualised as the class launched during the period.

### 4. Distribution Policy

The distribution policy for distributing Units consisted of distributing the net income accruing in the respective period, including income equalisation in the relevant period. Income equalisation was applied to the Fund on a daily basis based on subscriptions and redemptions. Income equalisation is recognised in the financial statements in the Statement of Comprehensive Income. The distributions shown below were made for the period under review and comparative period.

1 January 2019 – 31 January 2020	Ex day	Unit class	in USD per Unit
Allianz Emerging Markets Bond Fund	04/03/2019	A (H2-EUR)	2.17529
	04/03/2019	I (H2-EUR)	4.00997
	04/03/2019	P (H2-EUR)	35.63688
	04/03/2019	R (H2-EUR)	3.93654
1 January 2018 – 31 December 2018	Ex day	Unit class	in USD per Unit
Allianz Emerging Markets Bond Fund	05/03/2018	A (H2-EUR)	1.07467
	05/03/2018	I (H2-EUR)	4.76414
	05/03/2018	P (H2-EUR)	15.91958
	05/03/2018	R (H2-EUR)	0.48046

## 5. Transaction costs

As already disclosed, transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of the financial asset or financial liability.

For the financial period ended 31 January 2020 and the financial year ended 31 December 2018, the Fund incurred transaction costs as follows:

	Transaction costs 31/01/2020 in USD	Transaction costs 31/12/2018 in USD
Allianz Emerging Markets Bond Fund	151.20	-

## 6. Derivative Accounting Policies

### Forward Currency Contracts

The unrealised appreciation or depreciation on open forward currency contracts was calculated by reference to the difference between the contracted rate and the forward rate to close out the contract as at the year end. Realised and unrealised gains and losses on forward currency contracts are included in the Statement of Comprehensive Income.

### Futures Contracts

For open futures contracts, changes in the value of the contract were recognised as unrealised gains or losses by "marking-to-market" the value of the contract at the statement of net assets date. When the contract was closed, the difference between the proceeds from (or fair value of) the closing transactions and the original transaction was recorded as a realised gain or loss in the Statement of Comprehensive Income.

## 7. Irish Taxation

The Trust was an investment undertaking under Section 739B of the Taxes Consolidation Act, 1997. Therefore, the Trust was not liable to Irish tax on its relevant income or relevant gains other than on the occurrence of a chargeable event. A chargeable event includes any distribution payments to Unitholders or any encashment, redemption, transfer or cancellation of units at the end of each eight year period for which the investment was held.

A gain on a chargeable event does not arise in respect of:

- Unitholder who is not Irish resident and not ordinarily resident in Ireland at the time of a chargeable event, provided the necessary signed statutory declarations are held by the Trust;
- certain exempted Irish resident investors who have provided the Trust with the necessary signed statutory declarations;
- the exchange by a unitholder of Units in the undertaking for other Units in the investment undertaking;
- Units held in a recognised clearing system as designated by order of the Irish Revenue Commissioners; and or
- certain exchanges of Units between spouses and former spouses.

In the absence of an appropriate signed declaration, the Trust will be liable to Irish tax on the occurrence of a chargeable event, and the Trust reserves its right to withhold such taxes from the relevant Unitholders.

No stamp, transfer or registration tax was payable in Ireland on the issue, redemption or transfer of Units in the Trust. Distributions and interest on securities issued in countries other than Ireland may have been subject to taxes including withholding taxes imposed by such countries. The Trust may not have been able to benefit from a reduction in the rate of withholding tax by virtue of the double taxation agreement in operation between Ireland and the other countries. The Trust may have not therefore been able to reclaim withholding tax suffered by it in particular countries. To the extent that a chargeable event arose in respect of a Unitholder, the Trust

may have been required to deduct tax in connection with that chargeable event and pay the tax to the Irish Revenue Commissioners.

also entered into transactions to reduce their foreign exchange exposure.

## 8. Financial Instruments: Risk disclosure

The Fund's activities exposed it to various types of risk associated with financial investments and markets in which it invested. For financial reporting purposes, the significant types of financial risks which the Fund was exposed were market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Prospectus provided details of other types of risk.

### General Risk Management Process

Carne Global Fund Managers (Ireland) Limited, in its capacity as management company of the Trust, was responsible for the maintenance of an adequate risk management system to monitor the risks of the Fund. The Management Company appointed the Allianz Global Investors GmbH (the "Investment Manager") as investment manager of the Fund. The Investment Manager employed a risk management process that allowed it to measure and monitor on a daily basis market risk, credit risk and liquidity risk associated with the Fund, including such risks arising from all derivatives positions held by the Fund. Oversight of these functions was carried out by the board of directors of the Management Company.

### Fund Specific Risk Management Process

The Fund was required to adhere to investment and borrowing limits laid down by the "UCITS Regulations". Compliance with these restrictions was monitored by the Investment Manager, the Management Company and by the Depositary. In addition to the UCITS restrictions, the investment policies of the Fund contained specific self-imposed restrictions. The Investment Manager managed the Fund on a daily basis in accordance with its investment objective and policies.

The Fund's investment objective was to achieve returns in the long-term in line with the bond markets of Emerging Markets Countries adjusted for the effect of a hedging policy. The Fund could use financial derivative instruments, including even those which are unrelated to Emerging Markets Countries, with the aim of realising additional gains. Hedged Classes of Units were

**Market Risk****(currency risk, interest rate risk and other price risk)**

Market price risk is the risk that the value of an investment would fluctuate as a result of changes in market prices whether caused by factors specific to an individual investment or all factors affecting all securities traded in the market.

As part of the risk management procedure, the Fund's market risk was measured and limited using the relative value-at-risk ("VaR") approach in accordance with the risk management process as approved by the Central Bank of Ireland. The VaR approach represents a statistical method for calculating the loss potential on the basis of value changes in the entire Fund. The VaR calculation was generally based on the delta-normal method (99% confidence level, assumed holding period of 10 days, data history used of 250 days).

The Fund did not hold any investments as at 31 January 2020 therefore no market risk disclosure has been presented.

The following table shows the minimum, maximum, average and year end risk budget utilisation (RBU) of the Fund for the financial year ended 31 December 2018 and the average leverage effect of the Fund. The average leverage effect was calculated as the average sum of notionals of derivatives.

31/12/2018

Name of the Fund	Average leverage in %	Minimum RBU in %	Maximum RBU in %	Average RBU in %	VaR RBU in %
Allianz Emerging Markets Bond Fund	5.60	85.00	133.91	108.46	98.60

## Techniques for efficient portfolio management

In accordance with the UCITS Regulations, the Trust may have employed techniques and instruments relating to transferable securities for efficient portfolio management purposes including repurchase / reverse repurchase agreements and security lending arrangements. During the financial period ended 31 January 2020 and financial year ended 31 December 2018, the Trust did not use any of these techniques for efficient portfolio management purposes.

## Currency Risk

Currency risk is the risk that the fair value of the future cash flows of a financial instrument would fluctuate because of changes in the rate of exchange between the currency in which the financial asset or financial liability was denominated and the functional currency of the Fund. Hedged Classes of Units may have also entered into transactions to reduce the disclosure.

The Fund did not hold any investments as at 31 January 2020, in its functional currency or other currencies, as a result the Fund was not exposed to currency risk at that date.

The following table presents the currency risk exposure of the Fund as at 31 December 2018.

### Allianz Emerging Markets Bond Fund

Currency	31 December 2018	
	%	USD
BRL	1.05	2,513,151.77
EUR	90.25	215,434,575.94
IDR	1.13	2,698,922.60
PEN	2.48	5,925,560.07
PLN	1.11	2,649,491.54
RUB	-0.01	-23,087.55

Had the US Dollar strengthened by 5 % in relation to all currencies, with all other variables held constant, net assets owing to Unitholders and the change in net assets attributable to holders of redeemable Units per the Statement of Comprehensive Income would have increased/decreased by the amounts shown below.

## US Dollar Strengthening by 5%

Currency	31 December 2018
	USD
BRL	-125,657.59
EUR	-10,771,728.80
IDR	-134,946.13
PEN	-296,278.00
PLN	-132,474.58
RUB	1,154.38

A weakening of the US Dollar by 5 % against the other currencies would have resulted in an equal but opposite effect on the Financial Statement amounts to the amounts shown above, on the basis that all other variables remain constant.

## Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in market interest rates. The Fund did not hold investments as at 31 January 2020. As a result the Fund was not subject to interest rate risk.

As at 31 December 2018, the Fund was exposed to both fair value and cash flow interest rate risk through its investments in bonds. Cash flow interest rate risk also arose on the cash balances held with Depositary.

## Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. The Fund was exposed to market price risk arising from its investments in securities. By diversifying the portfolio, the risk that a price change of a particular investment would have a material impact on the Fund was minimised. The Investment Manager managed the Fund's market risk on a daily basis in accordance with the Fund's investment objectives and policies and based on the political, economic and real estate fundamental factors associated with investing in a specific region, country or sector. At a Trust level, credit and operational risk were analysed in terms of leverage, strength of balance sheet and the management's ability to execute

strategy. Risk premiums were added to the Fund operating in emerging markets and with significant development components.

### Fair Value hierarchy

The fair value hierarchy as required under FRS 102 is based on the valuation inputs used to fair value the financial assets and liabilities and consideration of the market activity for each individual financial asset and liability. The definition for levels 1, 2 and 3 are set out below.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement was categorised in its entirety was determined on the basis of the lowest level input that was significant to the

fair value measurement in its entirety. For this purpose, the significance of an input was assessed against the fair value measurement in its entirety. If a fair value measurement used observable inputs that required significant adjustment based on unobservable inputs, that measurement was a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety required judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' required significant judgement by the Trust. The Trust considered observable data to be that market data that was readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that were actively involved in the relevant market.

The Fund did not hold any investments as at 31 January 2020, therefore no fair value hierarchy information has been presented.

The following table is a summary of the fair value hierarchy applied under FRS 102 in valuing the Trust's financial assets and liabilities measured at fair value at 31 December 2018.

31 December 2018	Level 1 USD	Level 2 USD	Level 3 USD	Total Fair Value USD
<b>Financial Assets</b>				
<b>Financial Assets at Fair Value Through Profit or Loss</b>				
Debt Securities	-	225,764,019.21	-	225,764,019.21
Money Market Instruments	-	-	0.11	0.11
	-	225,764,019.21	0.11	225,764,019.32
<b>Derivative Contracts</b>				
Forward Foreign Exchange Contracts	-	3,754,764.93	-	3,754,764.93
	-	<b>3,754,764.93</b>	-	<b>3,754,764.93</b>
	-	<b>229,518,784.14</b>	<b>0.11</b>	<b>229,518,784.25</b>
<b>Financial Liabilities</b>				
<b>Financial Liabilities at Fair Value Through Profit or Loss</b>				
Forward Foreign Exchange Contracts	-	-1,261,478.73	-	-1,261,478.73
	-	<b>-1,261,478.73</b>	-	<b>-1,261,478.73</b>
	-	<b>228,257,305.41</b>	<b>0.11</b>	<b>228,257,305.52</b>

## Credit Risk

Credit risk is the risk that a counterparty to, or issuer of, a financial instrument would fail to discharge an obligation or commitment that it had entered into with the Fund.

As a UCITS, the Fund was required to adhere to investment and borrowing limits laid down by the UCITS Regulations. Among other restrictions, the Fund had to adhere to credit risk limits, i.e. issuer and counterparty risk limits. The issuer limits outlined in the UCITS Regulations are designed to limit the exposure to any particular issuer. Compliance with these restrictions was monitored ex-ante (on a pre-trade basis) by the Investment Manager and ex-post (on a post-trade basis) by the Depositary and the Investment Manager.

The Fund could furthermore be exposed to a credit risk on the counterparties with whom it traded derivatives over the counter ("OTC") that these counterparties may not have performed their obligations and/or that settlement of transactions may not have occurred.

OTC counterparties must have met inter alia the following criteria as set out in the UCITS Regulations:

(I) they must be a credit institution in accordance with sub – paragraphs 1.4 (i), (ii) and (iii) of the Central Bank UCITS Regulations, (as amended), or an investment firm authorised in accordance with the Markets in Financial Instruments Directive in an EEA member state, or an entity subject to regulation as a Consolidated Supervised Entity ("CSE") by the US Securities and Exchange Commission; or

(II) in the case of a counterparty which is not a credit institution, the counterparty must have a minimum credit rating of A-2 or equivalent, or in the opinion of the Investment Manager, an implied minimum credit rating of A-2 or equivalent. Alternatively, an unrated counterparty will be acceptable where the UCITS is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty by an entity which has and maintains a rating of A-2.

Exposures to individual counterparties were limited to 10 % of Net Asset Value in the case of the credit institutions referred to in the criteria outlined above and 5 % of Net Asset Value in the case of other counterparties.

The Board of Directors of the Management Company received information on the activity of the Investment Manager and the adherence to credit limits on a regular basis. The Investment Manager employed counterparty approval standards and procedures which sought to ensure that counterparties used by the Fund met regulatory requirements.

As at 31 January 2020 the Fund was not exposed to credit risk. As at 31 December 2018 substantially all of the cash and securities held by the Trust were held by the Depositary. State Street Bank and Trust Company act as the global sub-custodian for the Depositary. Bankruptcy or insolvency by the Depositary may cause the Trust's rights with respect to the cash and securities held by the Depositary to be delayed or limited. The counterparty for the open forward currency exchange contracts was State Street Bank and Trust Company.

The Trust's securities were always separately identified on the books and records of State Street Bank and Trust Company, therefore the rights, with respect to those securities, were preserved. Thus in the event of insolvency or bankruptcy of the Depositary, the Trust's assets were segregated and protected. Cash, unlike securities, was fungible and could not be registered in the name of, or identified as beneficially owned by a client, nor could it practically be held in physical segregation. However, for all major currencies, the cash at the sub-custodian was maintained in correspondent accounts of State Street Bank and Trust Company.

The long term credit rating of the parent company of the Depositary and Sub-Depositary, State Street Corporation, as at 31 January 2020 was A1 (31 December 2018: A1) (Moody's rating).

The credit rating of the counterparty for the Derivative instruments held as at 31 December 2018 was: State Street Bank and Trust Company: Aa2 (Moody's rating).

At 31 January 2020, the Fund did not hold any debt securities. The table below details the Schedule of Investments by rating category for the Fund as at 31 December 2018.

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	31 December 2018
A3	6.40%
A2	2.62%
AA2	2.19%
A1	5.02%
BAA3	13.47%
BAA2	19.14%
BA3	9.61%
BA2	4.81%
BA1	3.78%
B3	15.08%
B2	5.70%
B1	3.71%
C	1.24%
Caa1	3.45%
Not Rated	3.78%
<b>Total Net Assets</b>	<b>100.00%</b>

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## Liquidity risk

Liquidity risk is the risk that the Fund would encounter difficulty in meeting obligations associated with its financial liabilities.

The Investment Manager managed the Fund's liquidity positions on a daily basis.

The Fund was not exposed to liquidity risk as at 31 January 2020, therefore the liquidity analysis has not been presented. The following table details the Fund's liquidity analysis for its financial liabilities as at 31 December 2018. The table has been drawn up based on the undiscounted net cash flows on the financial liabilities that settle on a net basis and the undiscounted gross cash outflows on those financial liabilities that require gross settlement.

31/12/2018

	Less than 1 year	1 - 5 years	over 5 years	Total Fair Value
	USD	USD	USD	USD
Cash due to brokers and counterparties for open derivative positions	-1,017.69	-	-	-1,017.69
Financial Derivative Instruments	-1,261,478.73	-	-	-1,261,478.73
Amounts payable on Units redeemed	-1,225,158.68	-	-	-1,225,158.68
Other liabilities	-196,442.23	-	-	-196,442.23
Net assets owing to Unitholders	-238,711,723.60	-	-	-238,711,723.60
<b>Total liabilities</b>	<b>-241,395,820.93</b>	<b>-</b>	<b>-</b>	<b>-241,395,820.93</b>

## 9. Related Party Disclosures

FRS 102 "Related Party Disclosures" requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Carne Global Fund Managers (Ireland) Limited, the Management Company, by virtue of the Trust Deed was a related party for the purposes of the Related Party Disclosures.

The Management Fees were paid to the Management Company by the Investment Manager, Allianz Global Investors GmbH, from the All-in Fee it received from the Fund.

The Management Company earned the Management Fee for the period ended 31 January 2020 of USD 11,187.39 (31 December 2018: USD 9,832.30) with USD Nil (31 December 2018: USD Nil), outstanding payable as at the period end.

The All-in-Fee for the period from 1 January 2019 until 31 January 2020 was USD 4,263,672.78 (year ended 31

December 2018: USD 4,300,334.45) of which USD Nil was payable as at 31 January 2020 (31 December 2018: USD 196,442.23). Please refer to Note 2 Fee Structure for a detailed explanation of the All-in-Fee.

The Investment Manager, Allianz Global Investors GmbH, by virtue of its investment management agreement with the Management Company, acting on behalf of the Trust, was a related party for the purposes of the Related Party Disclosures. The Distributor was also a related party for the purposes of the Related Party Disclosures. The Investment Manager and Distributor fees were borne by the Investment Manager.

The Investment Manager paid the Directors' fees and company secretary fees for the period ended 31 January 2020 and for the year ended 31 December 2018. These fees were paid by Allianz Global Investors GmbH from the All-in-Fee it received from the Fund.

Carne Global Financial Services Limited provided Company Secretarial and VAT services for the period ended 31 January 2020 and earned a fee of USD 19,264.69 (31 December 2018: USD 16,929.87) with USD Nil (31 December 2018: USD Nil) outstanding payable as at the period end.

A full list of the Directors of Carne Global Fund Managers (Ireland) Limited is disclosed in the Directory.

All disclosures required by FRS 102 "Related Party Disclosures" have been made in the Financial Statements.

#### **10. Soft Commissions and Directed Brokerage**

The Investment Manager used certain goods and services, which assisted in the management of the Fund's investments and which were paid for certain brokers. These services could include, for example, research and analysis of the relevant merits of individual issuers or markets or use of the computer and other information facilities. In return, the Investment Manager placed business with those brokers, including transactions relating to the Fund's investments. The Investment Manager had satisfied itself that it obtained best execution on behalf of the Fund and that these arrangements were to benefit of the Fund. The Fund did not enter into any soft commission arrangements or directed brokerage arrangements during the period under review or prior year.

#### **11. Significant Events during the period**

A revised Prospectus was issued on 22 March 2019. The updates included minor housekeeping changes, Investor Profile changes to align to market standards regarding MiFID II language, and added the UK to the list of recognised markets where necessary.

Ms. Sarah Murphy was appointed to the Board of Directors of the Management Company on 5 June 2019.

The Fund of the Trust, Allianz Emerging Markets Bond merged with Allianz Emerging Markets Sovereign Bond (the "Receiving Fund") on 30 October 2019. All net assets of the Fund were transferred to the Receiving Fund in Luxembourg.

Ms. Elizabeth Beazley resigned from the Board of Directors of the Management Company on 31 October 2019,

Mr. Kevin Nolan resigned from the Board of Directors of the Management Company on 18 December 2019.

There were no other significant events affecting the Trust during the period ended 31 January 2020.

#### **12. Subsequent Events**

Mr. David McGowan was appointed to the Board of Directors of the Management Company on 12 February 2020.

There were no other significant events affecting the Trust since 31 January 2020.

#### **13. Approval of Financial Statements**

The Financial Statements were approved by the Directors of the Management Company on 18 May 2020.

# Report of the Management Company

Report in the name of Carne Global Fund Managers (Ireland) Limited, as Management Company

## Statement of Management Company's responsibilities

The Management Company is responsible for preparing the financial statements of the Sub-Funds of the Trust, in accordance with the Unit Trusts Act 1990, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations").

Irish law requires the Management Company of the Trust to prepare financial statements for each sub-fund for each financial year. The Management Company elected to prepare the financial statements in accordance with applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements of each of the sub-funds of the Trust are required to give a true and fair view of the assets, liabilities and financial position of each sub-fund of the Trust and of their change in net assets attributable to holders of redeemable participating units for that period. In preparing these financial statements, the Management Company:

- selects suitable accounting policies and then applies them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable Accounting Standards have been followed; and
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that each of the subfunds of the Trust will continue in business.

The Management Company is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of each of the sub-funds of the Trust and enable it to ensure that the financial statements comply with the UCITS Regulations and the Central Bank UCITS Regulations. It has general responsibility for taking such steps as are reasonably open to it to prevent and detect fraud and other irregularities.

## Connected Persons

Regulation 43(1) of the Central Bank UCITS Regulations "Restrictions on transactions with connected persons" states that "A responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm's length; and b) in the best interest of the Unitholders of the UCITS". As required under Central Bank UCITS Regulations 81(4), the Directors of the Management Company, as responsible persons are satisfied that there were in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) were applied to all transactions with a connected person; and all transactions with a connected persons that were entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

## Auditors

The independent auditors, PricewaterhouseCoopers remained in office as statutory auditors of the Trust for the financial period ended 31 January 2020.

## Significant Events during the period

A revised Prospectus was issued on 22 March 2019. The updates included minor housekeeping changes, Investor Profile changes to align to market standards regarding MiFID II language, and added the UK to the list of recognised markets where necessary.

Ms. Sarah Murphy was appointed to the Board of Directors of the Management Company on 5 June 2019.

The Fund of the Trust, Allianz Emerging Markets Bond merged with Allianz Emerging Markets Sovereign Bond (the "Receiving Fund") on 30 October 2019. All net assets of the Fund were transferred to the Receiving Fund in Luxembourg.

Ms. Elizabeth Beazley resigned from the Board of Directors of the Management Company on 31 October 2019,

Mr. Kevin Nolan resigned from the Board of Directors of the Management Company on 18 December 2019.

There were no other significant events affecting the Trust during the period.

#### Subsequent Events

Mr. David McGowan was appointed to the Board of Directors of the Management Company on 12 February 2020.

There were no other significant events affecting the Trust since 31 January 2020.

Carne Global Fund Managers (Ireland) Limited

18 May 2020

# Depositary's Report to the Unitholders

## Report of the Depositary to the Unitholders

We have enquired into the conduct of the Management Company in respect of the Trust for the period ended 31 January 2020, in our capacity as Depositary to the Trust.

This report including the opinion has been prepared for and solely for the Unitholders in the Trust, in accordance with Regulation 34, (1), (3) and (4) in Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, ('the UCITS Regulations'), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

## Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Trust in each annual accounting period and report thereon to the Unitholders.

Our report shall state whether, in our opinion, the Trust has been managed in that period in accordance with the provisions of the Trust Deed and the UCITS Regulations. It is the overall responsibility of the Management Company to comply with these provisions. If the Management Company has not so complied, we, as Depositary, must state why this is the case and outline the steps which we have taken to rectify the situation.

## Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the Trust has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Trust's constitutional documentation and the appropriate regulations.

## Opinion

In our opinion, the Trust has been managed during the period, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Management Company and the Depositary by the Trust Deed, by the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 ('the Central Bank UCITS Regulations'); and

(ii) otherwise in accordance with the provisions of the Trust Deed and the UCITS Regulations and the Central Bank UCITS Regulations.

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

18 May 2020

# Independent Auditor's Report to the Unitholders of Allianz Global Investors Fund VII

## Report on the audit of the financial statements

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### Opinion

In our opinion, Allianz Global Investors Fund VII's financial statements:

- give a true and fair view of the Trust's assets, liabilities and financial position as at 31 January 2020 and of its results for the period from 1 January 2019 to 31 January 2020 (the "period");
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Termination Report and Audited Financial Statements, which comprise:

- the Statement of Financial Position as at 31 January 2020;
- the Statement of Comprehensive Income for the period then ended;
- the Statement of Movement in Net Assets for the period then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the going concern basis of accounting. During the period the Directors have decided that the Company will cease trading as of 31 January 2020. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. No adjustments were necessary in these financial statements to reduce assets to their realisable values or to provide for liabilities arising from the decision.

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### Reporting on other information

The other information comprises all of the information in the Termination Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement,

we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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## Responsibilities for the financial statements and the audit

### Responsibilities of the manager for the financial statements

As explained more fully in the Statement of Management Company's responsibilities set out on page 25, the manager is responsible for the preparation of the financial statements in accordance with the applicable framework giving a true and fair view.

The manager is also responsible for such internal control as the manager 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 manager is responsible for assessing the Trust'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 manager intends to cease operations, or has no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditors' report.

### Use of this report

This report, including the opinion, has been prepared for and only for the unitholders as a body in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Dublin

May 2020

# Note for Investors in Switzerland (Unaudited)

## 1. Representative and paying agent in Switzerland

BNP Paribas Securities Services, Paris, Succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich, is representative and paying agent in Switzerland (the "Representative") for the Units distributed in Switzerland.

## 2. Place where the relevant documents may be obtained

The Prospectus, the KIID, the Trust Deed as well as the annual and semi-annual reports may be obtained without charge from the Representative in Switzerland.

## 3. Publications

Publications in Switzerland are made at [www.fundinfo.com](http://www.fundinfo.com).

In Switzerland, subscription and redemption prices together and/or the Net Asset Value (with the indication "commissions excluded") of the Units are published daily at [www.fundinfo.com](http://www.fundinfo.com).

## 4. Payment of retrocessions and rebates

### Retrocessions:

The Management Company and its agents may pay retrocessions as remuneration for distribution activity in respect of Units in or from Switzerland. This remuneration may be deemed payment for the following services in particular:

- setting up processes for subscribing, holding and safe custody of the Units;
- keeping a supply of marketing and legal documents, and issuing the said documents;
- forwarding or providing access to legally required publications and other publications;
- performing due diligence delegated by the Management Company in areas such as money laundering, ascertaining client needs and distribution restrictions;
- mandating an authorised auditor to check compliance with certain duties of the Distributor, in particular with the Guidelines on the Distribution of Collective Investment

Schemes issued by the Swiss Funds & Asset Management Association SFAMA;

- operating and maintaining an electronic distribution and/or information platform;
- clarifying and answering specific questions from investors pertaining to the investment product or the Management Company or an Investment Manager;
- drawing up fund research material;
- central relationship management;
- subscribing for Units as a "nominee" for several clients as mandated by the Management Company;
- training client advisors in investment funds; and
- mandating and monitoring additional distributors.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the investment funds of the investors concerned.

### Rebates:

In the case of distribution activity in or from Switzerland, the Management Company and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that:

- they are paid from fees received by the Management Company and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis of objective criteria; and
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.



The objective criteria for the granting of rebates by the Management Company are:

- the volume subscribed by the investor or the total volume they hold in the investment fund or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period); and
- the investor's willingness to provide support in the launch phase of a investment fund.

At the request of an investor, the Management Company must disclose the amounts of such rebates free of charge.

#### 5. Place of performance and jurisdiction

The place of performance and jurisdiction for Units distributed in Switzerland is at the registered office of the Representative in Switzerland.

# Note for Investors in the Republic of Austria (Unaudited)

In relation to Allianz Emerging Markets Bond Fund, the Management Company has notified the Finanzmarktaufsichtsbehörde in Austria according to Section 140 of the Investment Funds Act. Allianz Investment Bank AG will act as paying and representation agent in Austria according to Section 186 Paragraph 2 line 2 of the Investment Funds Act.

Requests for the redemption of Units can be submitted to the Austrian paying and representation agent at the following address:

Allianz Investment Bank AG  
Hietzinger Kai 101 105  
1130 Vienna  
Austria.

The Prospectus, the Key Investor Information Document, the Trust Deed, the annual and semi-annual reports of the Fund and the Subscription Prices and Redemption Prices of the Units as well as other information and documents relating to the Funds can be obtained from the Austrian paying and representation agent free of charge. Before acquiring Units of the Fund(s), investors are recommended to check that the required fiscal data for the relevant Class(es) of Units are published via Oesterreichische Kontrollbank.

# Note for Investors in the Federal Republic of Germany (Unaudited)

All payments to Unitholders (proceeds of redemptions, any distributions and other payments) can be made through the German Paying Agent listed in the Directory. Applications for redemptions and conversions may be submitted through the German Paying Agent.

With respect to sales of Units in the Federal Republic of Germany, the subscription, redemption and, if applicable, conversion prices are published on the website <https://de.allianzgi.com>.

Any announcements to Unitholders are published in the Börsen- Zeitung (published in Frankfurt/Main) and on the website <https://de.allianzgi.com>. For selected Classes of Units (for example Classes of Units that are exclusively for institutional investors or Classes of Units the bases of taxation of which are not published in the Federal Republic of Germany) the above information may be published on the following website: <https://regulatory.allianzgi.com>. In addition, in accordance with § 298 paragraph 2 of the German Capital Investment Code a durable medium within the meaning of § 167 of the German Capital Investment Code is used to inform investors in the Federal Republic of Germany of the following events:

- suspension of the redemption of Units in a Fund;
- termination of the Management Company or a Fund or the liquidation of the Company or a Fund;
- amendments to the terms and conditions that are inconsistent with existing investment policies, affect material Unitholder rights or concern fees or expense reimbursements payable from a Fund, including background information on the amendments and the rights of Unitholders;
- in the case of a merger of a Fund with another fund, the merger information required to be published in accordance with Article 43 of the UCITS Directive; and
- in the case of the conversion of a Fund into a feeder fund or, if applicable, changes to a master fund, the information required to be published in accordance with Article 64 of the UCITS Directive.

The Prospectus, the Key Investor Information Document, the latest Annual and Semi-Annual Reports, the current

subscription, redemption and, if applicable, conversion prices, as well as the Central Bank UCITS Regulations may be obtained in hard copy free of charge from the German Paying Agent listed in the Directory and free of charge on the website: <https://de.allianzgi.com>. For selected Classes of Units (for example Classes of Units that are exclusively for institutional investors or Classes of Units the bases of taxation of which are not published in the Federal Republic of Germany) the above information may be published on the following website: <https://regulatory.allianzgi.com>.

The material contracts referred to in the section entitled “Material Contracts” of the Prospectus are available for inspection free of charge at the office of the German Paying Agent.

Neither the Management Company, the Administration Company, the Registrar and Transfer Agent nor the Distributors or paying or information agents shall be liable for any errors or omissions in the published prices.

# Note for Investors in the United Kingdom (Unaudited)

In relation to all Funds, the Management Company has received the necessary authorisations that the Units may be offered for sale in the United Kingdom.

## UK Distributor and Facilities Agent

The name and address of the UK Distributor and Facilities Agent is listed in the Directory.

All payments to Unitholders (proceeds of redemption, any distributions and other payments) can be made through the UK Distributor and Facilities Agent.

In addition to the procedures set out in the "Administration of the Trust" section of the Prospectus, any person wishing to purchase Units or any Unitholders wishing to have all or any of their Units redeemed or converted may also apply in writing to the UK Distributor and Facilities Agent and should include the duly completed application or redemption or conversion request form as appropriate or such other written notification specified by the UK Distributor and Facilities Agent.

Furthermore, the Subscription and Redemption Prices can be obtained from the UK Distributor and Facilities Agent and shall be published on a website address specified in the Prospectus. Any person who has a complaint to make about the operation of the scheme can submit the complaint to the UK Distributor and Facilities Agent.

Any complaints may be sent to The Complaints Officer at the address of the UK Distributor and Facilities Agent. A copy of the complaints process leaflet of the UK Distributor and Facilities Agent is available on request. Eligible complainants may also refer their complaint to the Financial Ombudsman Service if they are not satisfied with the final response from the UK Distributor and Facilities Agent.

## UK Reporting Status Units

The Management Company currently intends to apply in respect of each accounting period for certification of certain Classes of Units in the Funds as reporting Classes of Units for UK tax purposes ("UK Reporting Status"). However, no guarantee can be given that such certification will be obtained.

## The UK Retail Distribution Review (RDR)

Intermediaries that are regulated by the UK's Financial Conduct Authority (FCA) or are a UK branch of a regulated entity in a member state of the EEA are from 31 December 2012 subject to the FCA's RDR rules in relation to investment advice that they provide to retail clients.

In accordance with the RDR rules, any intermediary distributing funds who (i) is subject to these rules and (ii) who provides personal recommendations or advice to retail clients located in the UK, shall not be entitled to receive any commission from the fund provider in respect of any investment made after 31 December 2012 on behalf of, or related services provided to, such retail clients.

Any potential investor who is subject to the RDR rules and who provides personal recommendations or advice to retail clients located in the UK is therefore obliged to ensure that it only invests in appropriate unit classes on behalf of its clients.

The above summary does not purport to be a comprehensive description of all the considerations that may be relevant to an investor with regard to RDR. Potential investors are strongly recommended to contact their own legal advisers in this respect.

## Available Documentation

The Prospectus, the Key Investor Information Document, the Trust Deed, the annual and semi-annual reports as well as the material contracts referred to in this Prospectus, together with the UCITS Regulations and the Central Bank Regulations, can be inspected, free of charge, at or obtained from the UK Distributor and Facilities Agent.

# Directory

## Management Company

Carne Global Fund Managers (Ireland) Limited  
2<sup>nd</sup> Floor, Block E  
Iveagh Court  
Harcourt Road  
Dublin 2  
Ireland

## Board of Directors of the Management Company

Ms. Elizabeth Beazley (resigned  
31 October 2019)

Mr. Michael Bishop\*

Mr. Neil Clifford (Chairman)

Mr. Teddy Otto

Mr. Dennis Murray

Mr. Kevin Nolan (resigned  
18 December 2019)

Ms. Sarah Murphy (appointed  
5 June 2019)

Mr. David McGowan (appointed  
12 February 2020)

\* Independent Director

## Legal Advisor

Arthur Cox  
10 Earlsfort Terrace  
Dublin 2  
Ireland

## Chartered Accountants and Statutory Audit Firm

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

## Investment Manager

Allianz Global Investors GmbH  
Bockenheimer Landstraße 42–44  
60323 Frankfurt/Main  
Germany

## Sub-Investment Managers

Allianz Global Investors U.S. LLC  
1633 Broadway  
43rd Floor  
New York  
New York 10019  
USA

2100 Ross Avenue, Suite 700  
Dallas  
Texas 75201  
USA

600 West Broadway, 31st Floor  
San Diego  
California 92101  
USA

555 Mission Street, Suite 1700  
San Francisco  
California 94105  
USA

Allianz Global Investors Asia Pacific Limited  
27/F, ICBC Tower  
3 Garden Road, Central  
Hong Kong

## Depository

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

## Administration Company

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

## Registrar and Transfer Agent

International Financial Data Services (Ireland) Limited  
Bishops Square  
Redmond's Hill  
Dublin 2  
Ireland

## Distributors, Paying Agents, Representatives, Facilities Agents and Information Agents

### Austria

#### Paying Agent and Representative Agent to the Tax Authorities

The following financial institution has been appointed paying agent and Austrian representative to the tax authorities for certification of distribution-like income as defined in Section 186 Paragraph 2 Line 2 of the Investment Funds Act:

Allianz Investmentbank AG  
Hietzinger Kai 101–105  
A-1130 Vienna  
Austria

### France

#### Paying and Information Agent

State Street Banque SA (from on or around 1 July 2019: State Street Bank International GmbH, Paris Branch)  
Défense Plaza  
23-25 rue Delarivière-Lefoullon  
F-92064 Paris  
La Défense Cedex  
France

### Germany

#### Paying Agent

State Street Bank International GmbH  
Brienner Strasse 59  
D-80333 Munich  
Germany

#### Distributor and Information Agent

Allianz Global Investors GmbH  
Bockenheimer Landstraße 42–44  
60323 Frankfurt/Main  
Germany

### Switzerland

BNP Paribas Securities Services, Paris,  
succursale de Zurich  
Selnastrasse 16  
CH-8002 Zurich  
Switzerland

### United Kingdom

Allianz Global Investors GmbH UK Branch  
P.O. Box 191  
155 Bishopsgate  
London EC2M 3AD  
United Kingdom

Additional information and copies of the Prospectus, the latest annual and semi-annual reports may be obtained (free of charge) from:

Carne Global Fund Managers (Ireland)  
Limited  
2nd Floor, Block E  
Iveagh Court  
Harcourt Road  
Dublin 2  
Ireland

The Management Company notified the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) of its intention to market Units of the Funds in Germany.

The rights resulting from the notification have not lapsed.

# Appendix 1: UCITS V Remuneration Policy (Unaudited)

The European Union Directive 2014/91/EU as implemented in Ireland by S.I. No. 143/2016 - European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016, requires management

companies to establish and apply remuneration policies and practices that promote sound and effective risk management, and do not encourage risk taking which is inconsistent with the risk profile of the UCITS.

## Disclosures relating to Carne Global Fund Managers (Ireland) Limited remuneration policy

Carne Global Fund Managers (Ireland) Limited (the "Manager"), has implemented a remuneration policy that applies to all UCITS for which the Manager acts as manager (the "Remuneration Policy") and covers all staff whose professional activities have a material impact on the risk profile of the Manager or the UCITS it manages ("Identified Staff"). The Remuneration Policy also applies to all alternative investment funds for which the Manager acts as alternative investment fund manager. In accordance with the Remuneration Policy, all remuneration paid to Identified Staff can be divided into:

- Fixed remuneration (payments or benefits without consideration of any performance criteria); and
- Variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria) which is not based on the performance of the UCITS.

The Manager has designated the following persons as Identified Staff:

1. The Designated Persons;
2. Each of the Directors;
3. Compliance Officer;
4. Risk Officer; and
5. Chief Operating Officer.

The Manager has a business model, policies and procedures which by their nature do not promote excessive risk taking and take account of the nature, scale and complexity of the Manager and the UCITS. The Remuneration Policy is designed

to discourage risk taking that is inconsistent with the risk profile of the UCITS and the Manager is not incentivised or rewarded for taking excessive risk.

The Manager has established a remuneration committee to oversee the implementation of the remuneration arrangements and to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk (the "Remuneration Committee"). The Remuneration Committee consists of at least two directors, the compliance officer, internal legal counsel and such other individuals as the Board may appoint from time to time.

The Manager's parent company is Carne Global Financial Services Limited ("Carne"). Carne operates through a shared services organisational model which provides that Carne employs all staff and enters into inter-group agreements with other Carne Group entities within the group to ensure such entities are resourced appropriately. Each of the Identified Staff, other than one non-executive independent director, are employed and paid directly by Carne and remunerated based on their contribution to the Carne Group as a whole. In return for the services of each of the Carne Identified Staff, the Manager pays an annual staff recharge to Carne (the "Staff Recharge").

The non-executive independent director is paid a fixed remuneration and each other Identified Staff member's remuneration is linked to their overall individual contribution to the Carne Group, with reference to both financial and nonfinancial criteria and not directly linked to the performance of specific business units or targets reached or the performance of the UCITS.

The aggregate of the total Staff Recharge and the remuneration of the independent non-executive director is EUR 1,497,600 paid to 12 individuals for the year ended 31

December 2019. The Manager has also determined that, on the basis of number of sub-funds / net asset value of the UCITS relative to the number of sub-funds / assets under management, the portion of this figure attributable to the UCITS is EUR 2,471.

There have been no material changes made to the Remuneration Policy or the Manager's remuneration practices and procedures during the financial year.



## Appendix 2: Securities Financing Transactions Regulations (Unaudited)

Annex according to Regulation (EU) 2015/2365 with regards to Securities Financing Transactions and Total Return Swaps

This Fund did not invest in any securities financing transactions pursuant to Regulation (EU) 2015/2365 during the reporting period, therefore there is no information on this type of transaction.

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