

Allianz Global Investors Premier Funds

(an umbrella unit trust established under the laws of Singapore)

Annual Report

31 December 2023

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Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

Manager's Report

2023 Annual Report to Unitholders (31st December 2022 to 30th December 2023)

Fund Review

The Allianz Global High Payout Fund (the “Fund”) investment objective to provide for a total return from dividend income and capital appreciation that should lead to sustainable distributions to investors. The fund has the opportunity to create additional income from selling call option on its stock holdings to generate option premium income. Call options could be sold on a total return consideration taking into account opportunity and risks.

The Fund outperformed its official benchmark¹ but underperformed the global equity markets as measured by MSCI World Index in the reporting period (net of fees).

Total stock selection in the equity portion was positive in 2023 compared to MSCI World Index while regional allocation effects was negative mainly due to overweighting EM Asia. Other regions only added or detracted slightly to relative performance. Sector allocation effects in the equity portion were also positive over the period compared to MSCI World Index mainly due to overweighting Information Technology. Value stocks continued to rally in 2023 and positively contributed to the equity portion.

Market Review

Global equities closed the year sharply higher as slowing inflation raised hopes that interest rates were near their peak. The rally was interrupted by two notable setbacks: the first, which was March's banking crisis, was allayed through swift intervention; the second, in October, was driven by fears that rates would need to stay higher for longer. However, global stocks ended the year on a strong note, with November the strongest month in three years, as falling inflation expectations boosted speculation that rates may be cut in 2024. The following month, this was reinforced by statements from the US Federal Reserve. Overall, the MSCI World Index recorded its strongest year since 2019.

US stocks delivered robust gains in 2023, helped by robust rallies at the end of the year. In December, the broad-based S&P 500 Index closed the year close to the all-time high recorded in January 2022, while the tech-heavy Nasdaq Composite Index touched a fresh high. The advance was far from smooth, however, In March, news of the failure of two niche US lenders threatened to upset the market's advance but swift action contained the crisis and avoided it spreading to the wider banking sector. The rally was interrupted again in October, with shares suffering a notable correction, as stronger-than-expected economic data raised fears that rates would need to stay higher for longer. However, US equities surged again in November and December, as slower-than-forecast jobs growth and inflation boosted hopes that the Federal Reserve (Fed) had reached peak rates and would cut borrowing costs in 2024.

European equities rallied strongly over 2023, with the Stoxx 600 Index closing the year close to its highest level since January 2022. While economic growth remained muted at best, it proved to be far more resilient than the severe recession that had been feared at the start of the year. In terms of individual markets, Italy and Spain outperformed, buoyed by strong returns from large domestic banks. At a sector level, information technology, industrials, real estate and financials stocks were the strongest. In contrast, consumer staples was the only sector to retreat, while energy and health care also lagged the broader market advance.

Market outlook & Fund's strategy

The major central banks are near or at the end of their rate-hike cycles. That means that the financial markets are on firmer ground at the beginning of 2024. Still, the outlook for the global economy remains mixed. Contrary to the market consensus, we believe that we may possibly see a – mild – US recession in the first half of 2024. The Chinese economy is still struggling but may have reached an important turning point. China urgently needs to resolve the issues in the real-estate sector, which makes up about 20% of the country's gross domestic product

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(GDP). At the same time, Europe is confronted with recession risks and persistently high inflation. We believe that the markets may underestimate the central banks' determination to keep key rates high in this environment. That is why we think that growth expectations will probably revise downwards. Uncertainties about future growth, monetary policy and geopolitical developments make for a challenging environment on the equity markets but will also open up opportunities. As individual companies, sectors and economies enter upon increasingly divergent growth paths, diversification, flexibility, and liquidity will become ever more important for successful active investment strategies.

Throughout 2023, investors were facing uncertain macroeconomic prospects and increasingly had to factor in geopolitical tensions. Equity markets were driven by the hope for an end of rate rises and early cuts and the disappointment over the lack of concrete signs for this to happen. The last few weeks of 2023 brought more certainty about the direction of interest rates as inflation had come down and central banks started to signal their willingness to lower rates all of it resulting in lower yields.

A slowdown in economic growth is still on the cards, leading at the very least to below-trend growth and potentially to a recession. This may not necessarily lead to a market correction, see for instance Germany's technical recession of two consecutive negative quarters of Gross Domestic Product (GDP) growth in 2023, but there is potential for markets to be caught on the wrong foot. Despite the uncertainty over elections and geopolitical risk, equity markets might continue their upward trend as information is gradually digested by investors and if positive developments, e.g., higher economic growth in Asia, were to emerge.

The current macroeconomic development still gives investors some reasons to worry as there are few positive signs, with economic surprises in the Eurozone still negative. Although inflation and bond yields have started to come down, they remain high compared to recent history and provide a useable input for pricing stocks which should benefit our approach. Less uncertainty over the direction of inflation and interest rates might create a less volatile market environment in which trend-following styles can benefit. The effect of the economic cycle will be felt within factors, but we generally aim to balance the exposures to more cyclical and more defensive factors, being neither too pessimistic nor too optimistic.

In the current market environment, combining Value and Quality signals leads to attractive investment opportunities while avoiding the riskiest part of the market also in terms of macro exposure.

The investment style Value has historically worked well in times of inflation as well as in times of a gradually deteriorating cycle but has been struggling in times of a surprise in the deterioration of the macro environment (which we do not currently observe).

Within Value we employ a barbell approach, balancing more defensive Value measures like Free Cash Flow Yield and High Dividend Yield with cyclical Value stocks which can benefit in a risk-on market.

The less cyclical, more defensive investment style Quality is expected to contribute more positively during an economic slowdown or recession when profitability is under pressure in many segments.

If our Value style should be challenged by the market environment, we believe that other investment styles will compensate. That is why we favor a diversified positioning with exposures to Value, Trend-Following styles and Quality and believe this to also be beneficial in the current macro and market environment.

¹The Fund's benchmark was a customized one (60% MSCI World + 40% Dividend Yield) before December 1, 2023, transitioning to the MSCI World Index Total Return Net Index thereafter.

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

Manager's Report

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Disclaimer

Information herein is based on sources we believe to be accurate and reliable as at the date it was made. We reserve the right to revise any information herein at any time without notice. No offer or solicitation to buy or sell securities and no investment advice or recommendation is made herein. In making investment decisions, investors should not rely solely on this publication but should seek independent professional advice. However, if you choose not to seek professional advice, you should consider the suitability of the product for yourself. Past performance of the fund manager(s) and the fund is not indicative of future performance. Prices of units in the Fund and the income from them, if any, may fall as well as rise and cannot be guaranteed. Distribution payments of the Fund, where applicable, may at the sole discretion of the Manager, be made out of either income and/or net capital gains or capital of the Fund. As a result of the payment, the Fund's net asset value is expected to be immediately reduced. The dividend yields and payouts are not guaranteed and might change depending on the market conditions or at the Manager's discretion; past payout yields and payments do not represent future payout yields and payments. Investment involves risks including the possible loss of principal amount invested and risks associated with investment in emerging and less developed markets. The Fund may invest in financial derivative instruments and/or structured products and be subject to various risks (including counterparty, liquidity, credit and market risks etc.). Past performance, or any prediction, projection or forecast, is not indicative of future performance. Investors should read the Prospectus obtainable from Allianz Global Investors Singapore Limited or any of its appointed distributors for further details including the risk factors, before investing. This publication has not been reviewed by the Monetary Authority of Singapore (MAS). MAS authorization/recognition is not a recommendation or endorsement. The issuer of this publication is Allianz Global Investors Singapore Limited (79 Robinson Road #09-03, Singapore 068897, Company Registration No. 199907169Z).

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

Report to Unitholders

For the financial year ended 31 December 2023

The following is a report on Allianz Global Investors Premier Funds - Allianz Global High Payout Fund:

1 Classification of investments

Please refer to the Statement of Portfolio in the Financial Statements.

2 Credit rating of debt securities

Nil.

3 Top 10 holdings as at 31 December 2023

	US\$	%
Microsoft Corp	4,604,234	6.18
Apple Inc	3,064,115	4.11
JP Morgan Chase & Co Com	1,771,081	2.38
Intuit Inc	1,530,698	2.05
Broadcom Inc	1,366,290	1.83
Novartis International AG	1,193,514	1.60
Exxon Mobil Corp	1,001,700	1.34
Procter & Gamble Co	979,327	1.31
Johnson & Johnson	977,431	1.31
Applied Materials Inc	949,244	1.27

Top 10 holdings as at 31 December 2022

	US\$	%
Apple Inc	1,606,584	2.75
Microsoft Corp	1,181,114	2.02
Procter & Gamble Co	950,130	1.63
Exxon Mobil Corp	942,183	1.61
Merck & Co Inc	864,633	1.48
Johnson & Johnson	828,489	1.42
Abbott Laboratories Com	744,157	1.27
United Health Group Inc	738,011	1.26
Cisco Systems Inc	735,847	1.26
Total Energies S.A.	720,898	1.23

4 Exposure to derivatives

Nil.

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

5 Global exposure

Global derivative exposure is computed using the commitment approach. The global exposure of a scheme is calculated as the sum of:

- (a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- (b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (c) The sum of the values of cash collateral received pursuant to :
 - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
 - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

6 Collateral

Nil.

7 Securities lending or repurchase transactions

Nil.

8 Investment in other schemes

Not applicable

9 Borrowings

Nil.

10 Amount of subscription and redemptions ¹

US\$

Subscriptions:	15,791,011
Redemptions:	9,567,597

11 Amount of related party transactions

In the normal course of the business of the Trust, trustee fees, valuation fees and management fees have been paid or are payable to the Trustee and the Manager respectively as noted in the Statement of Total Return.

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

12 Performance of the Fund ²

	3M	6M	1Y	3Y	5Y	10Y	Since Inception*
	%	%	%	%	%	%	%
	Change	Change	Change	Change	Change	Change	Change
<u>Cumulative returns</u>							
Allianz Global High Payout Fund (SGD) SGD	6.89	5.67	20.53	34.08	67.44	88.72	86.29
MSCI World Index in SGD	3.10	1.76	11.60	13.15	39.43	70.02	68.85
Allianz Global High Payout Fund (USD) USD	10.63	8.54	22.74	34.53	73.18	80.71	130.45
MSCI World Index in USD	8.75	6.43	15.68	15.58	46.88	65.90	112.55
<u>Annualised returns</u>							
Allianz Global High Payout Fund (SGD) SGD	6.89	5.67	20.53	10.28	10.86	6.56	3.54
MSCI World Index in SGD	3.10	1.76	11.60	4.21	6.87	5.45	2.98
Allianz Global High Payout Fund (USD) USD	10.63	8.54	22.74	10.40	11.61	6.10	4.79
MSCI World Index in USD	8.75	6.43	15.68	4.95	7.99	5.19	4.31

* Inception date: 21 February 2006

** Launch date: 19 December 2005

With effect from 1 December 2023, the benchmark for the SGD Class of the Allianz Global High Payout Fund will be MSCI World Index in SGD, and the benchmark for the USD Class of the Allianz Global High Payout Fund will be MSCI World Index in USD. The benchmarks for these classes will be changed with effect from 1 December 2023 as the previous benchmark (i.e. 60% MSCI World + 40% Dividend Yield (MSCI World)) is no longer representative of the current investment strategy of the Allianz Global High Payout Fund.

13 Expense ratio ^{3,4}

	%
For the year from 1 Jan 2023 to 31 December 2023	1.66
For the year from 1 Jan 2022 to 31 December 2022	1.59

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

14 Turnover ratio ⁵

	%
For the year from 1 Jan 2023 to 31 December 2023	60.45
For the year from 1 Jan 2022 to 31 December 2022	75.93

15 Any other material information that will adversely impact the valuation of the Fund

Nil.

16 Soft dollar arrangements, rebates, commissions and other monetary incentives received by Fund Manager

Nil.

17 Pre-determined payouts

N.A

Note 1 The total amount of subscriptions and redemptions includes CPF, SRS and Cash funds.

Note 2 The performance returns of the Fund is sourced from Allianz Global Investors/IDS GmbH, calculated on a NAV-to-NAV basis with dividends reinvested at the NAV price in S\$ term and US\$ in terms of the Fund's respective class.

Note 3 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at 31 December 2023 was based on total operating expenses of US\$1,071,700 (2022: US\$974,873) divided by the average net asset value of US\$64,489,894 (2022: US\$61,238,996) for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unit holders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on daily balances.

Note 4 On 28 December 2006, the Central Provident Fund Board (CPF Board) announced changes to the CPF Investment Scheme. One of these changes is that from 1 January 2008, the expense ratio for funds included under the CPF Investment Scheme has to be within the median expense ratio in their respective risk classes, in order to continue accepting CPF monies. The CPF Board has set a revised CPF expense ratio cap of 1.75% in 2016. The compliance with the expense ratio cap for each fund will be based on the audited report for the last financial year of the fund.

Note 5 The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, being sales of US\$38,983,142 (2022: purchases US\$46,496,088) divided by the weighted average daily net asset value of US\$64,489,894 (2022: US\$61,238,996).

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

Manager's Report

2023 Annual Report to Unitholders (31st December 2022 to 30th December 2023)

Fund Review

Allianz SGD Income Plus returned 4.71%1 (AM, SGD net) over calendar year 2023. Performance was driven by positive contribution from both the fixed income and the Asian REITs sleeves of the Fund.

For Fixed Income, yield carry was the main driver of returns, supported by the attractive yield carry of the financial and real estate papers. Other the other hand, duration and overall credit effects were broadly negative amidst volatility in US Treasury and Singapore government bond yields. China credits was also affected by weak investor sentiments on the back of poor macro data and spillover effects from negative headlines in the China real estate sector. That said, a bright spot was our credit allocation to SGD-denominated bonds, as the SGD bond market continued to hold up well despite broad market volatility. The Fund also benefitted from its fixed income allocation to financials, driven by the rebound of bank capital bonds. Low coupon bank capital bonds have been a laggard in the complex, and we observe that price action of these bonds has begun to catch up. Over the fourth quarter, the fixed income sleeve benefitted from a positive turnaround in investor expectations towards the Fed's likely policy actions for 2024.

The Asian REITs sleeve had fared better in the first half of the year, buoyed by positive sentiments towards China's re-opening and falling bond yields. Performance of the REITs portfolio however saw a reversal, as expectations of a turn in the interest rate cycle waned and government bond yields spiked up sharply. Our diversified approach of allocating towards Singapore and Australia REITs continued to benefit the overall REITs segment of the portfolio. Lower beta Singapore REITs helped to cushion some of the downside from the overall volatility in the REITs market. Similar to the fixed income sleeve, over the fourth quarter, our Asian REITs allocations also benefitted from investor expectations for US policymakers to cut rates in 2024.

Market Review

Asian asset markets extended the heightened volatility seen over the first half of 2023, with the 10-year US Treasury bond yields rose above 4.60%, to levels last seen in 2007. This came on the heels of resilient US macro data and hawkish comments from the US Federal Reserve, which had hinted at the likelihood that higher interest rates may have to be sustained for longer to combat inflationary pressures. As a result, sentiments turned weaker as investors tampered down expectations of a turn in the current interest rate cycle. Singapore government bond yields also rose in tandem, though the rise lagged that of the US Treasuries. Asian REITs delivered positive total returns in the first half of the year despite price volatility, but lost ground following the stronger US economic data and still hawkish Fed rhetoric in the third quarter.

Heading in the fourth quarter, both markets saw a turnaround, with Asian fixed income and Asian REITs staging a strong rally from November, benefitting from the turnaround in US policy expectations, declining Treasury yields and improved sentiments on the back of positive policy measures from the Chinese government.

Market Outlook (From Feb commentary)

In January, data print from the US demonstrates that the economy has remained resilient. While this has increased the likelihood of a no-recession outcome, it appears that the bond market is unfazed by a strong economy. The Fed's optimism on the inflation path suggests that rate cuts could co-exist with the current pace of growth. A lack of overall price movement in US interest rates can also be explained by the Treasury's announcement that no further increase to auction size would take place for at least the next several quarters. Despite reaching terminal Fed rate, we do not find that it is justified to extend duration further out the curve. Based on recent data points, there is a thin line that separate an economy that is approaching soft-landing speed and one that is exhibiting continued strength. As such, we will remain cautious and stay closer to the sideline for now. That said, we are agnostic on the current level of credit spread. Although valuation is rich, there is a technical support for Asian corporate bonds due to the

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continued lack of supply. Granted, we are still keen to act upon relative value opportunities in the credit complex. In Singapore, the recent MAS meeting is expected to have little impact on local rates. If anything, statement from the central bank suggests that the SGD is going to remain high on the SGD NEER band. The next event to monitor is the budget announcement which will be revealed in February. With an unexpected fiscal surplus in 2023, there is room for the Government to provide more targeted support in 2024.

Asian REITs share prices have somewhat discounted the end of the interest rate hiking cycle and rate cuts by the Fed in 2024. However, given the recent fairly strong US data, expectations of an earlier cut and/or the number of cuts in 2024 have been dampened. It appears that markets have been fairly patient and sanguine with regards to the timing and the extent of rate cuts this year despite inflation volatility and a cautious Fed. Against this backdrop, we continue to maintain REITs with strong balance sheets and resilient income streams.

All data as at 31 December 2023, unless otherwise indicated. All data sourced from Bloomberg, unless otherwise indicated.

1. Source: IDS, State Street Luxembourg. Performance is shown in SGD terms in net of fees on a NAV-to-NAV basis for the AM SGD share class

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

Report to Unitholders

For the financial year ended 31 December 2023

The following is a report on Allianz Global Investors Premier Funds - Allianz SGD Income Plus:

1 Classification of investments

	Fair Value S\$	NAV %
<i>By Asset Class</i>		
Equities	102,292,251	33.68
Debt securities (including accrued interest on debt securities)	199,371,969	65.65
Other net assets	2,047,460	0.67
Net assets attributable to unitholders	303,711,680	100.00

2 Credit rating of debt securities

	Fair Value S\$	NAV %
AAA	2,021,145	0.67
AA	1,256,174	0.41
A+	1,322,490	0.44
A	2,989,806	0.99
A-	6,229,970	2.05
BBB+	36,039,667	11.87
BBB	23,337,000	7.68
BBB-	27,286,043	8.96
BB+	19,615,128	6.47
BB	10,307,168	3.38
BB-	5,669,672	1.87
Unrated	60,893,831	20.07
Accrued interest receivable on quoted bonds	2,403,875	0.79
Total debt securities	199,371,969.00	65.65

3 Top 10 holdings as at 31 December 2023

	S\$	%
Ascendas REIT	14,228,880	4.69
Frasers Centrepont Trust	12,339,600	4.06
Capitaland Integrated Commercial Trust REIT	11,457,720	3.77
Aims Apac REIT Management Limited	9,786,920	3.22
Stockland Trust	9,572,112	3.15
Keppel REIT	7,241,166	2.38
Waypoint REIT	6,739,969	2.22
Charter Hall Long Wale REIT	6,610,738	2.18
Frasers Logistics & Commercial Trust REIT	5,759,660	1.90
Keppel DC REIT	5,541,900	1.82

Top 10 holdings as at 31 December 2022

	S\$	%
Ascendas REIT	14,401,440	4.27
Frasers Centrepont Trust	12,516,210	3.71
Capitaland Integrated Commercial Trust REIT	12,366,480	3.66
Frasers Logistics & Commercial Trust REIT	11,534,344	3.42
Aims Apac REIT Management Limited	8,616,016	2.55
Stockland Trust	7,890,214	2.34
Charter Hall Long Wale REIT	7,870,462	2.33
Waypoint REIT	7,676,004	2.27
Keppel REIT	7,085,442	2.10
Keppel Infrastructure Trust Series MTN Var Perpetual	4,608,110	1.37

4 Exposure to derivatives

	Fair value at 31 December 2023	Percentage of total net assets attributable to unitholders	Unrealised gains/(losses)	Realised gains/(losses)
	S\$	%	S\$	S\$
Forward foreign exchange contracts	(122,873)	-0.04%	(122,873)	(84,346)
Future contracts	-	0.00%	0	(3,346,465)

5 Global exposure

Global derivative exposure is computed using the commitment approach. The global exposure of a scheme is calculated as the sum of:

- (a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

- (b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (c) The sum of the values of cash collateral received pursuant to :
 - (i) the reduction of exposure to counterparties of OTC financial derivatives; and
 - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

6 Collateral

Nil.

7 Securities lending or repurchase transactions

Nil.

8 Investment in other schemes

Not applicable

9 Borrowings

Nil.

10 Amount of subscription and redemptions ¹

S\$

Subscriptions:	4,926,555
Redemptions:	38,149,259

11 Amount of related party transactions

In the normal course of the business of the Trust, trustee fees, valuation fees and management fees have been paid or are payable to the Trustee and the Manager respectively as noted in the Statement of Total Return.

12 Performance of the Fund ²

	3M % Change	6M % Change	1Y % Change	3Y % Change	5Y % Change	10Y % Change	Since Inception* % Change
<u>Cumulative returns</u>							
Allianz SGD Income Plus AM SGD	4.93	2.97	4.71	-	-	-	(3.00)
Allianz SGD Income Plus AM (H2-USD)	5.35	3.75	6.01	-	-	-	(1.85)
Allianz SGD Income Plus AM2 SGD	4.93	2.97	4.71	-	-	-	(1.98)
Allianz SGD Income Plus AM2 (H2-USD)	5.41	3.58	6.08	-	-	-	(0.64)

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

12 Performance of the Fund² (continued)

Annualised returns

Allianz SGD Income Plus AM SGD	4.93	2.97	4.71	-	-	-	(1.04)
Allianz SGD Income Plus AM (H2-USD)	5.35	3.75	6.01	-	-	-	(0.64)
Allianz SGD Income Plus AM2 SGD	4.93	2.97	4.71	-	-	-	(1.02)
Allianz SGD Income Plus AM2 (H2-USD)	5.41	3.58	6.08	-	-	-	(0.33)

* Inception date: 1 February 2021

** Launch date: 1 February 2021

There is no benchmark used.

13 Expense ratio³

	%
For the year ended 31 December 2023	1.22
For the year ended 31 December 2022	1.17

14 Turnover ratio⁴

	%
For the year ended 31 December 2023	57.83
For the year ended 31 December 2022	29.28

15 Any other material information that will adversely impact the valuation of the Fund

Nil.

16 Soft dollar arrangements, rebates, commissions and other monetary incentives received by Fund Manager

Nil.

17 Pre-determined payouts

N.A

Note 1 The total amount of subscriptions and redemptions includes CPF, SRS and Cash funds.

Note 2 The performance returns of the Fund is sourced from Allianz Global Investors /IDS GmbH, calculated on a NAV-to-NAV basis with dividends reinvested at the NAV price in S\$ term and US\$ in terms of the Fund's respective class.

Note 3 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at 31 December 2023 was based on total operating expenses of S\$3,854,535 (2022: S\$4,140,479) divided by the average net asset value of S\$315,929,723 (2022: S\$353,950,560) for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unit holders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on daily balances.

Note 4 The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, being purchase of S\$182,713,861 (2022 sales: S\$103,648,025) divided by the average daily net asset value of S\$315,929,723 (2022: S\$353,950,560).

Financial Statements

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

REPORT OF THE TRUSTEE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Trustee is under a duty to take into custody and hold the assets of the sub-fund of Allianz Global Investors Premier Funds, namely Allianz Global High Payout Fund (the “Fund”) in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 5 to 25, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
HSBC Institutional Trust Services (Singapore) Limited

Authorised signatory
Singapore
XX Month 2024

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

STATEMENT BY THE MANAGER FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

In the opinion of the directors of Allianz Global Investors Singapore Limited, the accompanying financial statements set out on pages 5 to 25, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of the sub-fund of Allianz Global Investors Premier Funds, namely Allianz Global High Payout Fund (the "Fund") as at 31 December 2023, and the financial performance and movements in unitholders' funds for the year then ended, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet their financial obligations as and when they materialise.

For and on behalf of the directors of
Allianz Global Investors Singapore Limited

Director

Singapore

XX Month 2024

**INDEPENDENT AUDITOR’S REPORT TO THE UNITHOLDERS OF
ALLIANZ GLOBAL INVESTORS PREMIER FUNDS – ALLIANZ GLOBAL HIGH PAYOUT FUND**
(Constituted under a Trust Deed in the Republic of Singapore)

Our Opinion

In our opinion, the accompanying financial statements of the sub-fund of Allianz Global Investors Premier Funds, namely Allianz Global High Payout Fund (the “Fund”) are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2023, and of the financial performance and movements of unitholders’ funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the Statement of Total Return for the financial year ended 31 December 2023;
- the Statement of Financial Position as at 31 December 2023;
- the Statement of Movements of Unitholders’ Funds for the financial year ended 31 December 2023;
- the Statement of Portfolio as at 31 December 2023; and
- the notes to the financial statement, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

The Fund’s Manager (the “Manager”) is responsible for the other information. The other information comprises all sections of the annual report, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” issued by the Institute of Singapore Chartered Accountants and for such internal control as

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

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 Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, XX Month 2024

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

STATEMENT OF TOTAL RETURN

For the financial year ended 31 December 2023

	Note	2023 US\$	2022 US\$
Income			
Dividends		2,185,200	2,185,672
Interest		15,701	3,924
		<u>2,200,901</u>	<u>2,189,596</u>
Less: Expenses			
Management fees		897,892	858,174
Registration fees		17,803	19,895
Trustee fees		16,033	15,325
Custody fees		6,914	6,166
Audit fees		15,096	15,548
Transaction costs		27,336	28,095
Administrator and valuation fees		25,979	25,344
Other expenses		78,911	47,495
		<u>1,085,964</u>	<u>1,016,042</u>
Net Income		<u>1,114,937</u>	<u>1,173,554</u>
Net gains or losses on value of investments			
Net gains/(losses) on investments		12,761,555	(8,614,820)
Net foreign exchange gains/(losses)		(8,339)	(44,710)
		<u>12,753,216</u>	<u>(8,659,530)</u>
Total return/(deficit) for the year before income tax		13,868,153	(7,485,976)
Less: Income tax	3	(470,373)	(426,725)
Total return/(deficit) for the year after income tax		<u>13,397,780</u>	<u>(7,912,701)</u>

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	2023 US\$	2022 US\$
Assets			
Portfolio of investments		73,874,851	57,950,181
Receivables	5	1,209,109	163,562
Cash and bank balances	6	1,700,184	810,709
Total assets		<u>76,784,144</u>	<u>58,924,452</u>
Liabilities			
Distribution payable	7	1,872,673	-
Payables	8	364,761	487,351
Total liabilities		<u>2,237,434</u>	<u>487,351</u>
Equity			
Net assets attributable to unitholders	9	<u>74,546,710</u>	<u>58,437,101</u>

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2023

	Note	2023 US\$	2022 US\$
Net assets attributable to unitholders at the beginning of financial year		58,437,101	68,500,945
Operations			
Change in net assets attributable to unitholders resulting from operations		13,397,780	(7,912,701)
Unitholders' contributions/(withdrawals)			
Creation of units		15,791,011	11,400,535
Cancellation of units		(9,567,597)	(10,581,876)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		6,223,414	818,659
Distributions	4	(3,511,585)	(2,969,802)
Total increase/(decrease) in net assets attributable to unitholders		16,109,609	(10,063,844)
Net assets attributable to unitholders at the end of the financial year	9	74,546,710	58,437,101

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at December 2023 US\$	Percentage of net assets attributable to unitholders at December 2023 %
By Geography (Primary)			
QUOTED EQUITIES			
ARGENTINA			
Mercadolibre Inc	276	433,745	0.58
AUSTRALIA			
Fortescue Ltd	3,986	78,930	0.10
Helia Group Ltd	57,024	169,260	0.23
Jb Hi-Fi Ltd	5,104	184,688	0.25
Metcash Ltd	23,434	55,806	0.07
Super Retail Group Ltd	3,354	36,091	0.05
		524,775	0.70
BRAZIL			
Banco Do Brasil	5,300	60,435	0.08
CIA Energetica De Minas Gerais (Cemig)	16,000	37,813	0.05
Companhia Vale Do Rio Doce (CVRD)	50,100	796,220	1.07
Metalurgica Gerdau S.A.	23,600	52,762	0.07
		947,230	1.27
CANADA			
Capital Power Corp	970	27,836	0.04
West Fraser Timber Co Ltd	3,615	310,782	0.42
Whitecap Resources Inc	9,528	64,093	0.08
		402,711	0.54
CAYMAN ISLAND			
China Medical System Holdings Ltd	31,000	54,945	0.07
Sapiens International Corp	12,437	359,927	0.49
		414,872	0.56
CHINA			
Bank Of China Ltd	576,000	219,820	0.30
China Citic Bank Corp Ltd	47,000	22,150	0.03
Netease Inc	18,000	324,106	0.43
People's Insurance Co Group	506,000	155,522	0.21
Petrochina Company Limited	642,000	424,242	0.57
Picc Property and Casualty Co Ltd	20,000	23,769	0.03
Tencent Hldgs Ltd	10,100	379,759	0.51
		1,549,368	2.08
DENMARK			
A P Moller - Maersk A/S	126	226,669	0.30
D/S Norden A/S	2,372	112,829	0.15
Novo Nordisk A/S	1,487	153,827	0.21
		493,325	0.66

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

	Holdings at 31 December 2023	Fair value at December 2023 US\$	Percentage of net assets attributable to unitholders at December 2023 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
FRANCE			
Eiffage SA	2,087	223,670	0.30
Engie S.A.	23,364	410,828	0.55
Sanofi S.A.	5,142	509,847	0.69
Vinci S.A.	592	74,354	0.10
		<hr/> 1,218,699	<hr/> 1.64
GERMANY			
Bayerische Motoren Werke AG	5,724	637,360	0.85
Daimler-Reg AG	936	64,725	0.09
Deutsche Telekom	6,790	163,138	0.22
Scout24 Se Na O.N	4,509	319,572	0.43
Siemens Energy AG	449	84,090	0.11
		<hr/> 1,268,885	<hr/> 1.70
GREAT BRITAIN			
3I Group Plc	28,021	864,810	1.16
Aviva Plc	29,255	162,118	0.21
Barclays Plc	191,980	376,355	0.51
Cvs Group Plc	6,325	135,702	0.18
HSBC Holdings Plc	39,387	319,088	0.43
Moneysupermarket.Com Group Plc	80,079	286,041	0.39
Paragon Group Companies Plc	31,205	277,467	0.37
TBC Bank Group Plc	10,595	382,234	0.51
		<hr/> 2,803,815	<hr/> 3.76
GREECE			
Greek Organization Of Football Prognostics	22,091	375,071	0.50
Mytilineos Holding S.A.	13,541	548,961	0.74
		<hr/> 924,032	<hr/> 1.24

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STATEMENT OF PORTFOLIO

As at 31 December 2023

	Holdings at 31 December 2023	Fair value at December 2023 US\$	Percentage of net assets attributable to unitholders at December 2023 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
INDONESIA			
PT Astra International TBK	115,200	42,273	0.06
ITALY			
A2A	21,079	43,287	0.06
Banca Ifis Spa	1,855	32,171	0.04
Banco BPM Spa	29,149	153,946	0.20
Enel Spa	24,087	179,070	0.24
Ente Nazionale Idrocarburi Spa	27,193	461,035	0.62
Mediobanca Spa	2,898	35,870	0.05
Unicredit Spa	14,752	400,306	0.54
		1,305,685	1.75
JAPAN			
Honda Motor Co Limited	37,700	392,029	0.53
Itochu Corp	9,400	384,521	0.52
Japan Tobacco Inc	27,300	705,834	0.95
Marubeni Corp	15,100	238,689	0.32
Mazda Motor Corporation	9,100	98,339	0.13
Mitsubishi Corp	22,500	359,652	0.48
Mitsubishi UFJ Financial Group Inc	13,700	117,730	0.16
Mitsui O.S.K. Lines Limited	1,100	35,244	0.05
Nippon Telegraph & Telephone Corp	473,700	578,937	0.77
Screen Holding Co Ltd	300	25,387	0.03
Sekisui House Ltd	4,100	91,085	0.12
Sojitz Corp	3,900	88,108	0.12
Sumitomo Corp	18,300	399,282	0.54
Sumitomo Forestry Co Ltd	1,600	47,700	0.06
Toyota Tsusho Corp	2,500	147,326	0.20
		3,709,863	4.98
LUXEMBOURG			
B&M European Value Retail S.A.	38,626	275,845	0.37
MARSHALL ISLANDS			
Global Ship Lease Inc	14,845	294,228	0.39
NETHERLANDS			
Koninklijke Ahold Delhaize Nv	10,155	291,829	0.39
NXP Semiconductors	1,477	339,237	0.46
Stellantis Nv	32,296	754,543	1.01
Stmicroelectronics N V	2,343	117,103	0.16
		1,502,712	2.02
NORWAY			
Euopris Asa	4,228	31,952	0.04

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

	Holdings at 31 December 2023	Fair value at December 2023 US\$	Percentage of net assets attributable to unitholders at December 2023 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
SINGAPORE			
DBS Group Hldgs Ltd	1,300	32,926	0.04
Hafnia Ltd	5,012	34,645	0.05
Singapore Airlines Ltd	44,900	223,292	0.30
		290,863	0.39
SOUTH KOREA			
DB Insurance Co Ltd	2,498	162,344	0.22
Hyundai Marine And Fire Insurance Co Ltd	3,540	85,208	0.12
Hyundai Motor Co	279	44,085	0.06
Industrial Bank of Korea	2,325	21,410	0.03
Kia Corp	4,151	322,308	0.43
KT Corp	14,237	380,272	0.51
Samsung Electronics Co Ltd	9,555	582,396	0.78
Samsung Fire And Marine Insurance Company Limited	191	39,004	0.05
		1,637,027	2.20
SPAIN			
ACS, Actividades De Construcción Y Servicios, S.A.	10,120	448,951	0.60
Atresmedia Corp De Medios De	22,580	89,645	0.12
Banco Bilbao Vizcaya Argentaria	60,952	553,862	0.74
Iberdrola S.A.	41,148	539,541	0.73
Naturgy Energy Group S.A.	5,622	167,679	0.22
		1,799,678	2.41
SWEDEN			
Elekta Ab B Shs	4,217	34,505	0.05
SSAB Corp Ser A ORD NPV	14,032	106,822	0.14
		141,327	0.19
SWITZERLAND			
Belimo Holding Ag-Reg	176	96,987	0.13
Galenica AG	3,189	275,648	0.37
Kuehne + Nagel Intl Ag-Reg	265	91,246	0.12
Novartis International AG	11,836	1,193,514	1.60
		1,657,395	2.22

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

	Holdings at 31 December 2023	Fair value at December 2023 US\$	Percentage of net assets attributable to unitholders at December 2023 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
UNITED STATES OF AMERICA			
Abbott Laboratories Com	7,155	787,551	1.06
AbbVie Inc	3,004	465,530	0.62
Accenture Plc	1,814	636,551	0.85
Advanced Drainage Systems Inc	204	28,691	0.04
Agilent Technologies Inc	2,863	398,043	0.53
Ally Financial Inc	17,962	627,233	0.84
Alphabet Inc	4,919	693,235	0.93
Altria Group Inc	14,449	582,873	0.78
Amgen Inc	1,057	304,437	0.41
Analog Devices Inc	2,258	448,349	0.60
Apple Inc	15,915	3,064,115	4.11
Applied Materials Inc	5,857	949,244	1.27
AT & T Inc	14,716	246,934	0.33
Automatic Data Processing	2,508	584,289	0.78
Avis Budget Group Inc	198	35,097	0.05
Bristol-Myers Squibb Co Com	4,596	235,821	0.32
Broadcom Inc	1,224	1,366,290	1.83
Cigna Corp	133	39,827	0.05
Cisco Systems Inc	16,790	848,231	1.14
Citigroup Inc	888	45,679	0.06
Clearway Energy Inc	14,571	372,726	0.50
Coca-Cola Co	9,665	569,558	0.77
Comcast Corporation Class A	13,515	592,633	0.80
Conocophillips	4,170	484,012	0.65
Crown Castle Inc Reit	1,689	194,556	0.26
CVS Health Corp	2,058	162,500	0.22
D. R. Horton Inc	5,607	852,152	1.14
Diamondback Energy Inc	225	34,893	0.05
Dick's Sporting Goods Inc	235	34,533	0.05
DocuSign Inc	1,227	72,945	0.10
Eaton Corporation Plc	2,625	632,153	0.86
Ebay Inc	1,505	65,648	0.09
Electronic Arts Inc	3,130	428,215	0.57
Elevance Health Inc	214	100,914	0.14
Eli Lilly & Co	772	450,014	0.60
Enact Holdings Inc	6,617	191,165	0.26
Equitable Holdings, Inc	1,163	38,728	0.05
Ethan Allen Interiors Inc	3,295	105,176	0.14
Exxon Mobil Corp	10,019	1,001,700	1.34
Ferguson PLC	3,279	633,076	0.85
Ford Motor Company	7,584	92,449	0.13
Fortinet Inc	1,317	77,084	0.10
Gen Digital Inc	9,411	214,759	0.29
Gilead Sciences Inc Com	7,491	606,846	0.81
Home Depot Inc	601	208,277	0.28

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

	Holdings at 31 December 2023	Fair value at December 2023 US\$	Percentage of net assets attributable to unitholders at December 2023 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
Intel Corp	8,645	434,411	0.58
Intuit Inc	2,449	1,530,698	2.05
Janus Henderson Group Plc	11,912	359,147	0.48
Johnson & Johnson	6,236	977,431	1.31
JP Morgan Chase & Co Com	10,412	1,771,081	2.38
KB Home Com	531	33,166	0.05
KLA Corp	1,009	586,532	0.79
Lam Research Corp	245	191,899	0.26
Lennar Corp	6,159	917,937	1.23
Louisiana-Pacific Corp	7,172	507,992	0.68
Marathon Petroleum Corp	1,128	167,350	0.23
Mastercard Incorporated Class A Com	1,703	726,347	0.97
Medifast Inc	544	36,567	0.05
Medtronic Plc	480	39,542	0.05
Merck & Co Inc	8,002	872,378	1.17
Meta Platforms Inc	820	290,247	0.38
MGIC Investment Corp	1,348	26,003	0.03
Microchip Technology Inc	3,392	305,890	0.41
Microsoft Corp	12,244	4,604,234	6.18
Motorola Solutions Inc	111	34,753	0.05
Netflix Inc	858	417,743	0.56
Nvidia Corp	1,768	875,549	1.18
Oge Energy Corp	2,507	87,569	0.12
Owens Corning Com	4,177	619,157	0.83
Paccar Inc	7,664	748,390	1.00
Paychex Inc	1,600	190,576	0.26
Pfizer Inc	13,541	389,845	0.52
Procter & Gamble Co	6,683	979,327	1.31
Pulte Group Inc	6,357	656,170	0.88
Qualcomm Inc	3,994	577,652	0.77
Radian Group Inc	17,693	505,135	0.68
Resmed Inc	2,939	505,567	0.68
Roper Technologies Inc	1,271	692,911	0.93
Ross Stores Inc	804	111,266	0.15
Royalty Pharma Plc	1,462	41,067	0.06
Skyworks Solutions Inc	271	30,466	0.04
Starbucks Corp	1,271	122,029	0.16
Synchrony Financial	18,947	723,586	0.97
Synopsys Inc	713	367,131	0.49
Tapestry Inc	9,357	344,431	0.46
Tesla Inc	509	126,476	0.17
Texas Instruments Inc	703	119,833	0.16
Thermo Fisher Scientific Inc	1,265	671,449	0.90
Toll Brothers Inc	4,136	425,140	0.57
Union Pacific Corp	1,221	299,902	0.40

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

	Holdings at 31 December 2023	Fair value at December 2023 US\$	Percentage of net assets attributable to unitholders at December 2023 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
United Health Group Inc	1,039	547,002	0.73
Valero Energy Corp	231	30,030	0.04
Valvoline Inc	12,692	476,965	0.64
Verizon Communications Inc	19,201	723,878	0.97
Victory Capital Holding	11,170	384,695	0.52
Virtu Financial Inc	20,456	414,439	0.56
Wells Fargo & Co Com	10,133	498,746	0.67
West Pharmaceutical Services Inc	432	152,116	0.21
Western Union Company Com	35,745	426,080	0.57
Wingstop Inc	243	62,349	0.08
Wyndham Hotels & Resorts Inc	5,532	444,828	0.60
Zoetis Inc	2,010	396,714	0.53
		<hr/> 50,204,546	<hr/> 67.35
Portfolio of investments		73,874,851	99.10
Other net assets		671,859	0.90
Net assets attributable to unitholders		<hr/> 74,546,710	<hr/> 100.00

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

	Fair value at 31 December 2023 US\$	Percentage of net assets attributable to unitholders at 31 December 2023 %	Percentage of net assets attributable to unitholders at 31 December 2022 %
By Geography (Summary)			
Argentina	433,745	0.58	-
Australia	524,775	0.70	2.12
Austria	-	-	0.47
Bermuda	-	-	1.06
Brazil	947,230	1.27	0.61
Canada	402,711	0.54	0.54
Cayman Islands	414,872	0.56	1.44
China	1,549,368	2.08	2.70
Denmark	493,325	0.66	0.75
Finland	-	-	0.72
France	1,218,699	1.64	3.90
Germany	1,268,885	1.70	1.85
Great Britain	2,803,815	3.76	3.38
Greece	924,032	1.24	1.04
Guernsey	-	-	0.24
Hong Kong	-	-	0.40
Indonesia	42,273	0.06	0.07
Ireland	-	-	1.92
Italy	1,305,685	1.75	1.86
Japan	3,709,863	4.98	5.81
Luxembourg	275,845	0.37	-
Marshall Islands	294,228	0.39	0.49
Netherlands	1,502,712	2.02	1.47
New Zealand	-	-	0.05
Norway	31,952	0.04	0.80
Portugal	-	-	0.49
Singapore	290,863	0.39	1.75
South Korea	1,637,027	2.20	3.24
Spain	1,799,678	2.41	0.99
Sweden	141,327	0.19	0.83
Switzerland	1,657,395	2.22	1.73
United States of America	50,204,546	67.35	56.45
Portfolio of investments	73,874,851	99.10	99.17
Other net assets	671,859	0.90	0.83
Net assets attributable to unitholders	74,546,710	100.00	100.00

STATEMENT OF PORTFOLIO

As at 31 December 2023

	Fair value at 31 December 2023 US\$	Percentage of net assets attributable to unitholders at 31 December 2023 %	Percentage of net assets attributable to unitholders at 31 December 2022 %
By Industry (Secondary)			
Advanced Medical Equipment	34,505	0.05	-
Advertising	-	-	0.05
Agriculture	705,834	0.95	1.57
Airlines	223,292	0.30	-
Autos and Trucks	2,568,405	3.45	4.24
Bank and finance	7,323,871	9.82	10.93
Biotechnology	1,186,435	1.60	1.30
Broadcasting	682,278	0.92	-
Building and construction	4,048,352	5.43	3.39
Business Support Services	426,080	0.57	-
Casinos / Gaming	375,071	0.50	-
Chemicals - Specialty	476,965	0.64	0.82
Commercial Services	811,432	1.09	2.31
Communications	3,912,346	5.25	4.01
Computer and software	9,572,300	12.84	10.57
Construction & Engineering	74,354	0.10	-
Consumer Lending	1,350,819	1.81	-
Courier/Postal/Air Freight & Land-Based Logistics	91,246	0.12	-
Diversified Industrial Goods Wholesalers	147,326	0.20	-
Electric and electronic	7,224,412	9.69	9.79
Energy	27,836	0.04	0.05
Entertainment Production	324,106	0.43	-
Foods and beverage	917,193	1.23	3.79
Forest / Wood Products	818,774	1.10	-
Healthcare	1,691,619	2.27	3.40
Homebuilding	852,152	1.14	-
Industrial Conglomerates - Industry	84,090	0.11	-
Industrial Machinery / Equipment	96,987	0.13	-
Insurance	661,110	0.89	4.09
Internet	1,131,895	1.52	2.03
Investment Management & Fund Operators	1,415,122	1.90	-
Lodging	444,828	0.60	-
Machinery	748,390	1.00	-
Manufacturing	1,659,180	2.23	0.64
Marine Freight & Logistics	226,669	0.30	-
Mechanical engineering	-	-	3.50
Media	-	-	0.36
Metals	28,691	0.04	0.99
Mining	106,822	0.14	1.93
Oil and gas	2,869,679	3.85	5.10
Online Services	1,275,619	1.71	-
Others	315,945	0.42	-
Passenger Transportation, Ground & Sea	35,097	0.05	-
Pharmaceutical	7,061,057	9.47	10.68
Phones & Handheld Devices	582,396	0.78	-

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

	Fair value at 31 December 2023 US\$	Percentage of net assets attributable to unitholders at 31 December 2023 %	Percentage of net assets attributable to unitholders at 31 December 2022 %
By Industry (Secondary) (continued)			
Real Estate Investment Trust	-	-	0.05
Restaurants	62,349	0.08	-
Retailing	1,460,470	1.96	2.39
Semiconductors	1,440,065	1.93	2.07
Software	72,945	0.10	-
Steel	927,912	1.24	-
Telecommunication services	2,821,147	3.78	5.17
Tobacco	582,873	0.78	-
Trading	384,521	0.52	0.48
Transportation	742,203	0.99	1.52
Wholesale	1,085,731	1.46	1.95
Portfolio of investments	73,874,851	99.10	99.17
Other net assets	671,859	0.90	0.83
Net assets attributable to unitholders	74,546,710	100.00	100.00

Allianz Global Investors Premier Funds – Allianz Global High Payout Fund

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements

1 GENERAL

Allianz Global Investors Premier Funds is a Singapore umbrella fund constituted by a Trust Deed dated 27 November 1998 and Supplemental Deeds thereon (hereinafter referred to as “Trust Deeds”) between Allianz Global Investors Singapore Limited (“the Manager”) and HSBC Institutional Trust Services (Singapore) Limited (“the Trustee”). The Trust Deeds are governed by the laws of the Republic of Singapore.

The umbrella fund comprises below sub-funds.

- (i) Allianz Global High Payout Fund
- (ii) Allianz SGD Income Plus

Only the financial statements of Allianz Global High Payout Fund (“the Fund”) are presented in this report.

The investment objective of the Fund is to provide total return from dividend income, option premiums and capital appreciation, sustainable distributions and typically lower portfolio volatility compared to an equity investment by investing in a globally diversified portfolio of equities which offer attractive and sustainable dividend yields and selling call options to generate option premiums which will enhance dividends and reduce overall portfolio risk.

The Fund currently has two class of units, the USD class and SGD Class. Subscriptions and redemptions of the Fund are denominated in Singapore Dollar and United States Dollar. In respect of the SGD Class units, the Manager has the ability to hedge the units of such class in relation to the base currency of the Fund or the currency of the underlying investments in such manner as they deem appropriate. Where hedging of this kind is undertaken, the effect of this hedging will be reflected in the net asset value of the SGD Class units, and therefore, in the performance of the SGD Class units. Similarly, any expenses arising from such hedging transactions will be borne by the SGD Class units.

2 MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” (“RAP 7”) issued by the Institute of Singapore Chartered Accountants.

(b) Recognition of income

Dividend income is recognised in the Statement of Total Return on the date that the right to receive payment is established.

Premiums received from writing options that expire unexercised are treated by the Fund on the expiration date as realised gains from investments. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2 MATERIAL ACCOUNTING POLICIES (continued)

(c) Financial derivatives

Financial derivatives include covered call options which are entered into for the purpose of efficient portfolio management and for generating option premiums which will enhance distributions and to reduce overall portfolio risk as determined by the Manager and in accordance with the provisions of the Trust Deeds.

Financial derivatives outstanding at the end of the financial period are measured at their fair values using the marked-to-market method, and the resultant gains and losses are taken up in the Statement of Total Return.

(d) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid out on the distribution date. The amount shall not be treated as part of the property of the Fund. Distributions are accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

(e) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net change in fair value on investments are included in the Statement of Total Return in the year in which they arise.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statement of Total Return.

(f) Basis of valuation of investments

The fair value of financial assets and liabilities (such as traded derivatives and traded securities) traded in active markets is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for investments held by the Fund is the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2 MATERIAL ACCOUNTING POLICIES (continued)

(g) Foreign currencies

(i) Functional and presentation currency

Subscriptions and redemptions of the units in the Fund is primarily denominated in United States dollars and Singapore dollars.

The performance of the Fund are measured and reported to the investors in United States Dollars. Although the Fund's activities are substantially based in Singapore, the expenses are predominantly denominated in United States Dollars. Therefore, the Manager considers the United States Dollar as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The Fund's functional and presentation currency is the United States Dollar.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the Statement of Total Return. Translation differences on non-monetary financial assets and liabilities are also recognised in the Statement of Total Return within the "net gain or loss on investments".

(h) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(i) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

(k) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2 MATERIAL ACCOUNTING POLICIES (continued)

(l) Collateral

For non-cash collateral, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Fund classifies that asset in its statement of financial position separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge, a disclosure of the non-cash collateral provided is made in the notes to the financial statements.

(m) Offsetting financial instruments

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

3 INCOME TAX

The Manager and Trustee of the Fund have assessed and are satisfied that the Fund has met the requisite conditions under the Designated Unit Trust (DUT) scheme for the current financial year. The Manager and Trustee of the Fund will ensure that the Fund fulfills its reporting obligations under the DUT Scheme.

Under the DUT Scheme, certain income of the DUT fund is not taxable in accordance to Sections 35(12) and 35(12A) of the Income Tax Act 1947. Such income includes:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act 1947);
- (c) dividends derived from outside Singapore and received in Singapore;
- (d) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (e) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

	2023	2022
	US\$	US\$
Overseas taxation	470,373	426,725

The overseas income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS

	2023	2022
	US\$	US\$
USD Class		
Distribution of USD1.623 cents per unit on 30 June 2023 to unitholders as at 15 June 2023	72,192	-
Distribution of USD1.698 cents per unit on 2 January 2024 to unitholders as at 15 December 2023	76,459	-
Distribution of USD1.473 cents per unit on 29 June 2022 to unitholders as at 15 June 2022	-	59,965
Distribution of USD1.490 cents per unit on 29 December 2022 to unitholders as at 15 December 2022	-	66,363
SGD Class		
Distribution of SGD1.333 cents per unit on 30 June 2023 to unitholders as at 15 June 2023	1,585,183	-
Distribution of SGD1.385 cents per unit on 2 January 2024 to unitholders as at 15 December 2023	1,777,751	-
Distribution of SGD1.257 cents per unit on 29 June 2022 to unitholders as at 15 June 2022	-	1,423,041
Distribution of SGD1.240 cents per unit on 29 December 2022 to unitholders as at 15 December 2022	-	1,420,433
	<u>3,511,585</u>	<u>2,969,802</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

5 RECEIVABLES

	2023 US\$	2022 US\$
Amount receivable from creation of units	1,135,284	102,139
Dividends receivable	71,689	60,904
Other receivable	2,136	519
	<u>1,209,109</u>	<u>163,562</u>

6 CASH AND BANK BALANCES

	2023 US\$	2022 US\$
Cash and bank balances	<u>1,700,184</u>	<u>810,709</u>

The bank balances are placed with a bank which is a related company of the Trustee.

7 DISTRIBUTION PAYABLE

	2023 US\$	2022 US\$
Distribution payable	<u>1,872,673</u>	<u>-</u>

8 PAYABLES

	2023 US\$	2022 US\$
Amount payable for cancellation of units	180,925	326,690
Manager fee payable	158,215	-
Accrued expenses	25,621	160,661
	<u>364,761</u>	<u>487,351</u>

9 UNITS IN ISSUE

During the year ended 31 December 2023 and 2022, the number of units issued, redeemed and outstanding were as follows:

	2023 SGD Class Units	2023 USD Class Units	2022 SGD Class Units	2022 USD Class Units
Units at beginning of the year	158,258,622	4,548,972	156,021,382	4,649,654
Units created	39,734,507	433,245	29,436,916	395,281
Units cancelled	(23,896,771)	(512,141)	(27,199,676)	(495,963)
Units at end of the year	<u>174,096,358</u>	<u>4,470,076</u>	<u>158,258,622</u>	<u>4,548,972</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9 UNITS IN ISSUE (continued)

	2023 SGD Class	2023 USD Class	2022 SGD Class	2022 USD Class
Net assets attributable to unitholders - US\$	71,549,494	2,997,216	55,821,259	2,617,720
Net asset value per unit - US\$	0.411	0.671	0.352	0.575
Net assets attributable to unitholders - SGD	94,380.937	N/A	74,867,473	N/A
Net asset value per unit - SGD	0.542	N/A	0.473	N/A

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the reporting date is presented below:

	2023 SGD Class SGD	2023 USD Class US\$	2022 SGD Class SGD	2022 USD Class US\$
Net asset attributable to unitholders per unit per financial statements	0.542	0.671	0.473	0.575
Effect of movement in the net asset value between the last dealing date and the end of the reporting period	-	-	-	-
Net assets attributable to unitholders per unit for issuing/redeeming	0.542	0.671	0.473	0.575

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use financial futures contracts, options and/or currency forward contracts subject to the terms of the Trust Deed to moderate certain risk exposures. Specific guidelines on exposures to individual security and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Fund's risk exposures.

The Fund's assets principally consist of equity, written call options and cash. They are held in accordance with the published investment policies of the Fund. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity is limited to the fair value of these positions. On written call options, the maximum loss of capital can be unlimited. The maximum loss of capital on forward currency contracts is limited to the notional contract values of these positions.

The following is a summary of the main risks and risk management policies:

(a) Market risk

Market risk is the risk of loss to the value of investments because of changes in market conditions like interest and currency rate movements and volatility in security prices. External factors such as changes in economic environment, consumption patterns and investor's expectation contribute to market risk which may have a significant impact on the asset's value.

The Fund's investments are substantially dependent on changes in market prices. The Manager monitors the Fund's investments closely so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the asset value of the Fund. Guidelines are set to reduce the Fund's risk exposures to market volatility such as diversifying the portfolio by investing across various geographies/industries.

The Fund's market risk is affected primarily by three components: changes in actual market prices, interest rate volatilities and foreign exchange movements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 FINANCIAL RISK MANAGEMENT (continued)

(i) Price risk

The table below summarises the impact of increases/decreases from the Fund's underlying investments in equities on the Fund's net assets attributable to the unitholders as at 31 December 2023 and 2022. The analysis was based on the assumptions that the index components within the benchmark index increased/decreased by a reasonable possible shift, with all variables held constant and that the fair value of the Fund's investments moved according to the historical correlation with the index.

Fund	Benchmark	Impact of 10% (2022: 10%) movement in benchmark on net assets attributable to the unitholders	
		2023	2022
		US\$	US\$
Allianz Global Investors Premier Funds – Allianz Global High Payout Fund	MSCI AC World Index	7,387,485	5,795,018

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates (fair value risk). The Fund's financial assets and liabilities are largely non-interest bearing and not subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Investment funds that invest in equity securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Fund's portfolio investments accordingly.

However, the effects of changes in interest rates on the Fund's portfolio may not be quantified as the relationship between the interest rates and the value of equity securities is indirect. Hence, no sensitivity analysis has been presented separately.

Cash and cash equivalents of the Sub-Fund, which are held with approved reputable financial institutions, are exposed to interest rate risk which is considered by the Manager to be minimal. The Sub-Fund's exposure to interest rate cash flow risk is not significant as it does not hold significant rate financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)(iii) Currency risk (continued)

	HKD US\$	EUR US\$	JPY US\$	CAD US\$	GBP US\$	CHF US\$	USD US\$	SGD US\$	Others US\$	Total US\$
2023										
Assets										
Portfolio of investments	1,604,313	7,680,454	3,709,863	402,711	3,079,660	1,657,395	51,631,683	256,218	3,852,554	73,874,851
Receivables	-	-	16,039	669	8,952	-	268,567	911,143	3,739	1,209,109
Cash and bank balances	-	-	-	-	-	-	559,769	1,140,415	-	1,700,184
Total assets	1,604,313	7,680,454	3,725,902	403,380	3,088,612	1,657,395	52,460,019	2,307,776	3,856,293	76,784,144
Liabilities										
Distribution payable	-	-	-	-	-	-	76,459	1,796,214	-	1,872,673
Payables	-	-	-	-	-	-	185,002	179,759	-	364,761
Total liabilities	-	-	-	-	-	-	185,002	179,759	-	2,237,434
Net exposure	1,604,313	7,680,454	3,725,902	403,380	3,088,612	1,657,395	52,275,017	2,128,017	3,856,293	74,546,710
2022										
Assets										
Portfolio of investments	2,470,036	7,475,964	3,397,882	315,173	1,915,426	711,760	35,696,523	1,021,754	4,945,663	57,950,181
Receivables	3,102	20,069	7,656	443	2,446	-	20,349	101,990	7,507	163,562
Cash and bank balances	-	-	-	-	-	-	689,164	121,545	-	810,709
Total assets	2,473,138	7,496,033	3,405,538	315,616	1,917,872	711,760	36,406,036	1,245,289	4,953,170	58,924,452
Liabilities										
Payables	-	-	-	-	-	-	144,782	342,569	-	487,351
Total liabilities	-	-	-	-	-	-	144,782	342,569	-	487,351
Net exposure	2,473,138	7,496,033	3,405,538	315,616	1,917,872	711,760	36,261,254	902,720	4,953,170	58,437,101

The Fund's monetary assets/liabilities are measured for their sensitivity to exchange rate movements based on the balance of the monetary assets/liabilities, forecasted exchange rate movements and the net asset value of the Fund.

As at 31 December 2023 and 2022, the Fund's exposure to foreign currency fluctuations with respect to the monetary assets/liabilities are not considered to be significant except for the currencies presented in the table below which shows the Fund's sensitivity to exchange rate movements on significant monetary assets/liabilities denominated in foreign currencies, should those currencies increase by a reasonable possible shift with all other variables held constant. This sensitivity analysis is not presented separately should the currency decrease as it is the reversal of the impact disclosed below.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

Currency	Currency rates rise by 5%	
	Impact of increase in FX rates on net assets attributable to the unitholders	
	2023 US\$	2022 US\$
HKD	-	155
EUR	-	1,003
JPY	802	383
CAD	33	22
GBP	448	122
SGD	3,779	(5,952)

(b) Liquidity risk

The Fund is exposed to daily redemption of units in the Fund. They therefore invest the majority of their assets in investments that are traded in an active market and can be readily disposed of.

The Fund may, from time to time, invest in currency forward contracts traded over the counter, which are not traded in an organised market and may be illiquid.

The tables below analyse the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 3 months US\$	3 months-1 year US\$	1-5 years US\$	Above 5 years US\$
31 December 2023				
Distribution payable	1,872,673			
Payables	364,761	-	-	-
31 December 2022				
Payables	487,351	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk is the risk that counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Credit risk also arises from cash and cash equivalents and assets held with financial institutions.

The Fund may also enter into derivatives to manage its exposures to currency risk and price risk, including foreign exchange forward contracts and options. Hence, the Fund is also exposed to the risk that its derivatives held with counterparties may not be recoverable in the event of any default by the parties concerned. The Manager minimises the Fund's credit risk by undertaking transactions with banks that are part of banking groups with good credit-ratings assigned by international credit rating agencies.

The tables below summarise the credit rating of banks and custodian in which the Fund's assets are held as at 31 December 2023 and 2022.

	Credit rating^{##}	Source of Credit rating
2023		
<u>Clearing broker</u> UBS AG	A3	Moody's
<u>Bank and Custodian</u> The Hongkong and Shanghai Banking Corporation Limited	A2	Moody's
2022		
<u>Clearing broker</u> UBS AG	A3	Moody's
<u>Bank and Custodian</u> The Hongkong and Shanghai Banking Corporation Limited	A2	Moody's

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

The credit ratings are based on the Baseline Credit Assessment published by the rating agency.

(d) Capital management

The Fund's capital is represented by the net assets attributable to unitholders. The Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet unitholders' redemptions.

(e) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2023 and 31 December 2022:

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
31 December 2023				
Assets				
Financial assets/ (liabilities) at fair value through profit or loss	73,874,851	-	-	73,874,851
- Quoted equities	73,874,851	-	-	73,874,851

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 FINANCIAL RISK MANAGEMENT (continued)

(e) Fair value estimation (continued)

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
31 December 2022				
Assets				
Financial assets/ (liabilities) at fair value through profit or loss				
- Quoted equities	57,950,181	-	-	57,950,181
	<u>57,950,181</u>	<u>-</u>	<u>-</u>	<u>57,950,181</u>

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

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

The assets and liabilities included in the Statement of Financial Position except portfolio of investment are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

11 RELATED PARTY TRANSACTIONS

The Manager of the Fund is Allianz Global Investors Singapore Limited. The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the Hongkong and Shanghai Banking Corporation Limited. Management fees are paid to the Manager. The trustee fees, custody fees, registration fees, administrator fees and valuation fees charged by, and interest earned on deposits with, the Hongkong and Shanghai Banking Corporation Limited are shown in the Statement of Total Return. Bank balances placed with the Hongkong and Shanghai Banking Corporation Limited is set out in note 6.

12 FINANCIAL RATIOS

	2023	2022
	%	%
Expense ratio ¹	<u>1.66</u>	<u>1.59</u>
Portfolio turnover ratio ²	<u>60.45</u>	<u>75.93</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

- ¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore (“IMAS”). The calculation of the expense ratio at 31 December 2023 was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.
- ² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the total value of purchases of the underlying investments divided by the weighted average daily net asset value.

The following table presents the total operating expenses, lower of total value of purchase or sales and average net asset values of the Fund for the financial year ended 2023 and 2022.

	2023	2022
	US\$	US\$
Expense ratio calculations		
Total operating expenses	1,071,700	974,873
Average net asset value	64,489,894	61,238,996
Turnover ratio calculations		
Lower of total value of purchases or sales	38,983,142	46,496,088
Average net asset value	64,489,894	61,238,996

**REPORT OF THE TRUSTEE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

The Trustee is under a duty to take into custody and hold the assets of the sub-fund of Allianz Global Investors Premier Funds, namely Allianz SGD Income Plus (the “Fund”) in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year/period and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year/period covered by these financial statements, set out on pages 5 to 29, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
HSBC Institutional Trust Services (Singapore) Limited

Authorised signatory
Singapore
XX Month 2024

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

STATEMENT BY THE MANAGER FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

In the opinion of the directors of Allianz Global Investors Singapore Limited, the accompanying financial statements set out on pages 5 to 29, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of the sub-fund of Allianz Global Investors Premier Funds, namely Allianz SGD Income Plus (the "Fund") as at 31 December 2023, and the financial performance and movements in unitholders' funds for the year then ended, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet their financial obligations as and when they materialise.

For and on behalf of the directors of
Allianz Global Investors Singapore Limited

Director

Authorised signatory

XX Month 2024

**INDEPENDENT AUDITOR’S REPORT TO THE UNITHOLDERS OF
ALLIANZ GLOBAL INVESTORS PREMIER FUNDS – ALLIANZ SGD INCOME PLUS**

(Constituted under a Trust Deed in the Republic of Singapore)

Our Opinion

In our opinion, the accompanying financial statements of the sub-fund of Allianz Global Investors Premier Funds, namely Allianz SGD Income Plus (the “Fund”) are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2023, and of the financial performance and movements of unitholders’ funds for the financial period ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the Statement of Total Return for the financial year ended 31 December 2023;
- the Statement of Financial Position as at 31 December 2023;
- the Statement of Movements of Unitholders’ Funds for the financial year ended 31 December 2023;
- the Statement of Portfolio as at 31 December 2023; and
- the notes to the financial statement, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

The Fund’s Manager (the “Manager”) is responsible for the other information. The other information comprises all sections of the annual report, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” issued by the Institute of Singapore Chartered Accountants and 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.

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

In preparing the financial statements, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, XX Month 2024

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

STATEMENT OF TOTAL RETURN

For the financial year ended 31 December 2023

	Note	2023 S\$	2022 S\$
Income			
Dividends		5,420,228	5,359,149
Interest		28,959	10,020
Sundry income		-	20,000
		<u>5,449,187</u>	<u>5,389,169</u>
Less: Expenses			
Management fees		3,144,675	3,545,284
Registration fees		46,225	43,121
Trustee fees		78,617	88,632
Custody fees		63,167	55,147
Audit fees		19,890	19,998
Transaction costs		54,956	143,705
Administrator fees		73,027	79,179
Other expenses		428,934	328,762
		<u>3,909,491</u>	<u>4,303,828</u>
Net Income		<u>1,539,696</u>	<u>1,085,341</u>
Net gains or losses on value of investments			
Net gains/(losses) on investments		15,169,420	(34,343,536)
Net (losses)/gains on foreign exchange contracts		(793,036)	3,026,550
Net (losses)/gains on future contracts		(672,731)	2,646,674
Net foreign exchange gains		(151,605)	104,510
		<u>13,552,048</u>	<u>(28,565,802)</u>
Total return/(deficit) for the year before income tax		15,091,744	(27,480,461)
Less: Income tax	3	<u>(611,663)</u>	<u>(808,573)</u>
Total return/(deficit) for the year		<u>14,480,081</u>	<u>(28,289,034)</u>

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

STATEMENT OF FINANCIAL POSITION

For the financial year ended 31 December 2023

	Note	2023 S\$	2022 S\$
Assets			
Portfolio of investments		301,664,220	326,767,521
Receivables	5	475,536	401,668
Financial derivatives at fair value	8	1,848,812	3,623,623
Cash and bank balances	6	2,432,674	10,518,759
Margin accounts with brokers	7	-	184,640
Total assets		<u>306,421,242</u>	<u>341,496,211</u>
Liabilities			
Payables	9	737,877	673,216
Cash collateral		-	1,864,268
Financial derivatives at fair value	8	1,971,685	1,404,798
Total liabilities		<u>2,709,562</u>	<u>3,942,282</u>
Equity			
Net assets attributable to unitholders	10	<u>303,711,680</u>	<u>337,553,929</u>

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2023

	Note	2023 S\$	2022 S\$
Net assets attributable to unitholders at the beginning of financial year		337,553,929	183,435,609
Operations			
Change in net assets attributable to unitholders resulting from operations		14,480,081	(28,289,034)
Unitholders' contributions/(withdrawals)			
		4,926,555	213,813,150
Creation of units		(38,149,259)	(17,996,995)
Cancellation of units			
Change in net assets attributable to unitholders resulting net creation and cancellation of units		(33,222,704)	195,816,155
Distributions		(15,099,626)	(13,408,801)
Total (decrease)/increase in net assets attributable to unitholder	4	(33,842,249)	154,118,320
Net assets attributable to unitholders at the end of the financial year	10	<u>303,711,680</u>	<u>337,553,929</u>

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
By Geography (Primary)			
QUOTED EQUITIES			
AUSTRALIA			
Charter Hall Long Wale REIT	1,953,337	6,610,738	2.18
Charter Hall Retail REIT	1,212,724	3,940,525	1.30
Region Group REIT	1,360,000	2,766,510	0.91
Stockland Trust	2,389,807	9,572,112	3.15
Waypoint REIT	3,068,903	6,739,969	2.22
		<u>29,629,854</u>	<u>9.76</u>
SINGAPORE			
Aims Apac REIT Management Limited	7,528,400	9,786,920	3.22
Ascendas REIT	4,696,000	14,228,880	4.69
Capitaland Integrated Commercial Trust REIT	5,562,000	11,457,720	3.77
Capitaland China Trust REIT	3,236,300	3,009,759	0.99
Frasers Centrepoint Trust	5,460,000	12,339,600	4.06
Frasers Logistics & Commercial Trust REIT	5,008,400	5,759,660	1.90
Keppel REIT	7,786,200	7,241,166	2.38
Keppel DC REIT	2,842,000	5,541,900	1.82
		<u>69,365,605</u>	<u>22.83</u>
UNITED STATES OF AMERICA			
US Treasury Bill due 04/01/2024	2,500,000	3,296,792	1.09
		<u>3,296,792</u>	<u>1.09</u>
Total Quoted Equities		<u>102,292,251</u>	<u>33.68</u>

STATEMENT OF PORTFOLIO

As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
QUOTED DEBT SECURITIES (continued)			
AUSTRALIA			
Australia & New Zealand Banking Group Series Var Perpetual 02/12/2032	2,000,000	2,019,500	0.66
Lendlease Finance Limited Series MTN 3.4% due 27/10/2027	3,500,000	2,864,871	0.94
Macquarie Group Limited Series EMTN Var 18/08/2026	750,000	759,050	0.25
National Australia Bank Series Var 02/08/2034	1,000,000	1,197,767	0.39
Newcastle Coal Infrastructure Series 4.7% due 12/05/2031	800,000	914,704	0.30
Newcastle Coal Infrastructure Series 4.4% due 29/09/2027	700,000	867,787	0.29
Perenti Finance Pty Limited 6.5% due 07/10/2025	1,500,000	1,944,024	0.64
QBE Insurance Group Limited Series EMTN Var Perpetual	1,500,000	1,897,513	0.62
QBE Insurance Group Limited Series EMTN Var 17/06/2046	1,000,000	1,295,026	0.43
Santos Finance Limited Series EMTN 5.25% due 13/03/2029	1,500,000	1,938,100	0.64
Scentre Group Trust 2 Series Var due 24/09/2080	1,000,000	1,178,083	0.39
Westpac Banking Corporation Series EMTN Var 07/09/2032	1,500,000	1,513,640	0.50
Westpac Banking Corporation Series Var 15/11/2035	1,000,000	1,074,742	0.35
		19,464,807	6.40
AUSTRIA			
Erste Group Bank Ag Series EMTN Var Perpetual	1,000,000	1,201,233	0.40
		1,201,233	0.40
CHINA			
China Modern Dairy Holdings 2.125% due 14/07/2026	1,000,000	1,172,337	0.39
ESR Group Limited Series MTN 5.1% due 26/02/2025	750,000	750,374	0.25
Far East Horizon Limited Series EMTN 4.25% due 26/10/2026	1,000,000	1,196,702	0.39
Fortune Star BVI Limited 5.95% due 19/10/2025	1,000,000	1,100,705	0.36
GLP China Holdings Limited Series EMTN 2.95% due 29/03/2026	1,000,000	772,286	0.25

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
QUOTED DEBT SECURITIES (continued)			
CHINA (continued)			
Haidilao International Holding Limited 2.15% due 14/01/2026	1,000,000	1,217,281	0.40
Lenovo Group Limited Series EMTN 5.875% due 24/04/2025	1,500,000	1,990,081	0.66
Longfor Holdings Limited 3.95% due 16/09/2029	1,000,000	615,595	0.20
Longfor Properties 4.5% due 16/01/2028	500,000	343,808	0.11
Melco Resorts Finance Series 5.625% due 17/07/2027	400,000	494,988	0.16
Sands China Limited Series WI 5.125% 08/08/2025	600,000	781,012	0.26
Sunny Optical Tech 5.95% 17/07/2026	600,000	799,725	0.27
West China Cement Limited 4.95% due 08/07/2026	1,500,000	1,446,605	0.48
		<u>12,681,499</u>	<u>4.18</u>
CZECH REPUBLIC			
CPI Property Group SA Series EMTN Var Perpetual	1,250,000	590,060	0.19
		<u>590,060</u>	<u>0.19</u>
FRANCE			
BNP Paribas Series Var Perpetual 31/12/2049	900,000	1,246,222	0.41
BNP Paribas Series Var Perpetual	1,500,000	1,733,863	0.57
BNP Paribas Var Perpetual 31/12/2049	750,000	1,060,423	0.35
Credit Agricole SA Series EMTN Var 22/07/2032	3,000,000	2,900,945	0.96
Credit Agricole SA Series EMTN Var due 29/05/2034	1,800,000	1,451,558	0.48
Credit Agricole SA Series EMTN Var 27/02/2033	1,000,000	1,003,788	0.33
Credit Agricole SA Series Var Perpetual	300,000	336,687	0.11
Societe Generale Series SG Var Perpetual 31/12/2049	750,000	742,066	0.24
		<u>10,475,552</u>	<u>3.45</u>
GERMANY			
Commerzbank AG Series EMTN Var 03/05/2033	1,000,000	1,016,750	0.33
Deutsche Bank Ag Series EMTN Var 05/09/2026	2,000,000	2,029,206	0.67
LB Baden-Wuerttemberg Series EMTN Var Perpetual	600,000	643,266	0.21
		<u>3,689,222</u>	<u>1.21</u>

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
QUOTED DEBT SECURITIES (continued)			
GREAT BRITAIN			
Aviva Plc Var Perpetual	500,000	768,024	0.25
Barclays PLC Var Perpetual 31/12/2049	2,000,000	2,526,630	0.83
BP Capital Markets Plc Var Perpetual	1,500,000	1,885,501	0.62
Barclays Plc Series EMTN Var 23/05/2030	500,000	490,947	0.16
HSBC Holdings Plc Series EMTN Var 27/06/2032	2,000,000	2,078,478	0.68
HSBC Holdings PLC Series EMTN Var 14/03/2033	2,000,000	2,092,000	0.69
Legal & General Group Series EMTN Var due 21/03/2047	1,500,000	1,909,892	0.63
Legal & General Group Var Perpetual	500,000	716,041	0.24
Lloyds Banking Group Plc Ser EMTN Var 22/08/2033	2,500,000	2,527,471	0.83
Phoenix Group Holding Plc Var Perpetual	1,000,000	1,433,218	0.47
Standard Chartered Plc Var Perpetual USD (ISIN: USG84228FJ22)	1,000,000	1,350,351	0.45
Standard Chartered PLC Var Perpetual 31/12/2049	1,000,000	1,297,442	0.43
		19,075,995	6.28
HONG KONG			
AIA Group Limited Var Perpetual	2,000,000	2,230,756	0.74
Bank of East Asia Limited Series EMTN Var 22/04/2032	700,000	836,097	0.27
Bank of East Asia Limited Series EMTN Var due 29/05/2030	600,000	746,928	0.25
Bank of East Asia Limited Series EMTN Var Perpetual	600,000	692,528	0.23
China Ping An Insurance Overseas (Holdings) Limited Series MTN 2.85% due 12/08/2031	600,000	641,019	0.21
Dah Sing Bank Limited Series EMTN Var due 02/11/2031	1,500,000	1,787,797	0.59
Fec Finance Limited Series EMTN 5.1% due 21/01/2024	700,000	919,017	0.30
Estate Sky Limited 5.45% due 21/07/2025	1,000,000	1,145,144	0.38
Huarong Finance 2017 Company 3.8% 07/11/2025	1,500,000	1,414,770	0.46
LS Finance 2017 Limited 4.8% due 18/06/2026	600,000	602,199	0.20
Nan Fung Treasury Limited Series EMTN 5% due 05/09/2028	1,200,000	1,492,054	0.49
Peak Re BVI Holding Limited Var Perpetual	1,500,000	1,654,986	0.54
		14,163,295	4.66

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
QUOTED DEBT SECURITIES (continued)			
INDIA			
Diamond II Ltd Series 7.95% 28/07/2026	1,100,000	1,452,168	0.48
Greenko Solar Mauritius Series 5.95% due 29/07/2026	500,000	639,434	0.21
Power Finance Corporation Limited Series EMTN 3.75% due 06/12/2027	1,000,000	1,254,727	0.41
REC Limited Series EMTN 4.625% due 22/03/2028	1,000,000	1,290,408	0.43
Rec Limited Series GMTN 2.25% due 01/09/2026	1,000,000	1,220,162	0.40
		5,856,899	1.93
INDONESIA			
Bank Negara Indonesia Var Perpetual	1,000,000	1,175,206	0.39
PT Indofood CBP Sukses Makmur Tbk 3.398% due 09/06/2031	1,000,000	1,142,632	0.37
PT Pakuwon Jati TBK 4.875% due 29/04/2028	200,000	246,126	0.08
Tower Bersama Infrastructure 2.8% due 02/05/2027	1,000,000	1,200,340	0.40
		3,764,304	1.24
JAPAN			
Asahi Mutual Life Insurance Var Perpetual	1,500,000	1,676,906	0.55
Fukoku Mutual Life Insurance Var Perpetual	1,000,000	1,400,037	0.46
Mitsubishi UFJ Finance Group Var 17/04/2026	1,000,000	1,322,490	0.44
Mizuho Financial Group 4.353% due 20/10/2025	1,000,000	1,287,605	0.42
Nomura Holdings Incorporation 1.851% due 16 /07/2025	1,000,000	1,249,709	0.41
		6,936,747	2.28
LUXEMBOURG			
International Bank Reconstruction & Development Series MTN 1.25% 10/12/2030	3,000,000	2,021,145	0.67
		2,021,145	0.67
MALAYSIA			
Gohl Capital Limited 4.25% due 24/01/2027	1,000,000	1,270,036	0.42
IOI Corporation Berhad Series EMTN 3.375% due 02/11/2031	1,000,000	1,075,330	0.35
		2,345,366	0.77

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
QUOTED DEBT SECURITIES (continued)			
MAURITIUS			
Greenko Solar Mauritius Series 5.55% due 29/01/2025	1,000,000	1,291,597	0.43
		1,291,597	0.43
NETHERLANDS			
ABN AMRO Bank Series EMTN Var 05/10/2032	1,500,000	1,543,359	0.51
ING Groep N.V. Var Perpetual (ISIN: US456837AY94)	1,000,000	1,073,418	0.35
ING Groep N.V. Var Perpetual (ISIN: US456837AZ69)	1,000,000	962,763	0.32
		3,579,540	1.18
PHILIPPINES			
Republic of Philippines Series 16 0.001% 12/04/2024	100,000,000	933,909	0.31
		933,909	0.31
REPUBLIC OF KOREA			
Hanwha Life Insurance Series Var 04/02/2032	1,500,000	1,825,659	0.60
Hyundai Capital Services Series GMTN 4.25% due 12/07/2025	2,250,000	2,250,949	0.74
Mirae Asset Securities 2.625% 30/07/2025	1,200,000	1,506,403	0.50
SK Hynix Inc 6.25% 17/01/2026	1,000,000	1,333,650	0.44
SK Hynix Inc Series 6.375% 17/01/2028	500,000	681,325	0.22
Tongyang Life Insurance Company Var Perpetual	1,000,000	1,213,832	0.40
		8,811,818	2.90
SINGAPORE			
Apeiron Agrocommodities 4.487% 23/06/2028	1,250,000	1,256,174	0.41
ARA Asset Management Limited Series MTN 4.15% due 23/04/2024	250,000	249,472	0.09
Ascendas Pte Limited Series EMTN 3.265% due 06/09/2025	1,500,000	1,486,974	0.49
Astrea 7 Pte Limited Series 7 Cl A1 Frn 27/05/2032	3,000,000	3,029,427	1.00
Astrea VI Pte Limited Series FRN 09/03/2031	2,000,000	2,638,200	0.87
Capitaland Treasury Limited Series EMTN Var Perpetual	1,250,000	1,239,230	0.41
Frasers Property 3% due 09/10/2028	1,000,000	939,764	0.31
Frasers Property Treasury Pte Limited 4.15% due 23/02/2027	1,000,000	998,099	0.33
Frasers Property Treasury Series MTN Var Perpetual	1,000,000	1,000,250	0.33

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
QUOTED DEBT SECURITIES (continued)			
SINGAPORE (continued)			
GLL IHT Pte Limited Series MTN 3.29% due 26/10/2026	2,000,000	1,944,000	0.64
GLL IHT Pte Limited Series MTN 3.4% due 10/08/2025	2,000,000	1,967,092	0.65
Keppel Corp Limited Var Perpetual 31/12/2049	3,000,000	2,850,000	0.94
Keppel Infrastructure Trust Series MTN Var Perpetual (ISIN: SGXF11132135)	3,000,000	2,983,062	0.98
Keppel Infrastructure Trust Series MTN Var Perpetual (ISIN: SGXF78346933)	2,000,000	1,914,868	0.63
Lendlease Global Commerce Series MTN Var Perpetual	1,500,000	1,499,066	0.49
Mapletree Logistics Trust Var Perpetual	2,750,000	2,681,250	0.88
Olam International Limited Series MTN 4% due 24/02/2026	2,000,000	1,734,946	0.57
Oue Ct Treasury Pte Limited Series EMTN 4.2% due 05/05/2027	1,500,000	1,468,068	0.48
Oversea-Chinese Banking Series GMTN Var Perpetual 31/12/2049	1,000,000	1,028,452	0.34
Singapore Airlines Limited Series MTN 3.035% 11/04/2025	2,000,000	1,979,376	0.65
Singapore Tech Telemedia Series MTN Var Perpetual	2,000,000	1,958,624	0.64
Singapore Technologies Telemedia Pte Limited Var Perpetual	3,000,000	2,937,000	0.97
Singpost Group Treasury Series MTN Var Perpetual	2,250,000	2,210,625	0.73
Slife Series MTN Var 24/02/2031	3,000,000	2,910,654	0.96
SPH REIT Series MTN Var Perpetual	2,000,000	2,029,626	0.67
Starhill Global REIT Series MTN Var Perpetual	2,000,000	1,900,198	0.63
Starhub Limited Series MTN Var Perpetual	4,250,000	4,096,745	1.35
Straits Trading Company Limited 3.75% due 29/10/2025	2,000,000	1,976,000	0.65
Straits Trading Company Limited Series EMTN 4.1% due 04/05/2026	2,000,000	1,978,000	0.65
STT GDC Pte Limited Series MTN 3.59% due 26/09/2024	500,000	498,057	0.16
Suntec REIT Pte Limited Series MTN 3.355% due 07/02/2025	2,500,000	2,477,012	0.82
Surbana Jurong Pte Limited Series EMTN 4.11% due 03/10/2025	1,500,000	1,505,685	0.50

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
QUOTED DEBT SECURITIES (continued)			
SINGAPORE (continued)			
Trafigura Group Pte Limited Var Perpetual	1,700,000	2,012,446	0.66
Vertex Venture Holdings Limited Series DMTN 3.3% due 28/07/2028	3,000,000	2,891,511	0.95
		66,269,953	21.83
SPAIN			
Banco Santander Series Var Perpetual 31/12/2049	1,000,000	1,416,637	0.47
		1,416,637	0.47
SWITZERLAND			
Julius Baer Group Limited Var Perpetual	1,400,000	1,677,537	0.55
UBS Group Ag Series Var Perpetual	1,500,000	1,787,160	0.59
		3,464,697	1.14
THAILAND			
Bangkok Bank Public Company Limited Var due 23/09/2036	1,000,000	1,108,794	0.36
Kasikornbank PCL HK Series EMTN Var 02/10/2031	1,000,000	1,214,718	0.40
Muang Thai Life Assurance Public Company Limited Var Due 27/01/2037	1,500,000	1,819,007	0.60
		4,142,519	1.36
UNITED STATES OF AMERICA			
Starbucks Corporation 0.372% due 15/03/2024	200,000,000	1,871,259	0.62
Swiss Re Finance Uk Series EMTN Var 03/07/2035	3,000,000	2,920,041	0.96
		4,791,300	1.58

Allianz Global Investors Premier Funds – Allianz SGD Income Plus

	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %
Accrued interest receivable on quoted bonds	2,403,875	0.79
Total Debt Securities	199,371,969	65.65
Portfolio of investments	301,664,220	99.33
Other net assets	2,047,460	0.67
Net assets attributable to unitholders	303,711,680	100.00

	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %	Percentage of net assets attributable to unitholders at 31 December 2022 %
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By Geography (Summary)

Australia	49,094,661	16.16	15.06
Austria	1,201,233	0.40	0.33
China	12,681,499	4.18	6.52
Czech Republic	590,060	0.19	0.29
Denmark	-	-	0.50
Finland	-	-	0.46
France	10,475,552	3.45	3.75
Germany	3,689,222	1.21	1.54
Great Britain	19,075,995	6.28	4.68
Hong Kong	14,163,295	4.66	5.17
India	5,856,899	1.93	1.66
Indonesia	3,764,304	1.24	1.61
Japan	6,936,747	2.28	1.97
Luxembourg	2,021,145	0.67	-
Malaysia	2,345,366	0.77	1.54
Mauritius	1,291,597	0.43	0.37
Netherlands	3,579,540	1.18	1.01
Oman	-	-	0.15
Philippines	933,909	0.31	0.11
Republic of Korea	8,811,818	2.90	2.11
Singapore	135,635,558	44.66	42.23
Spain	1,416,637	0.47	-
Switzerland	3,464,697	1.14	1.31
Thailand	4,142,519	1.36	2.05
United Arab Emirates	-	-	0.15
United States of America	8,088,092	2.67	1.43
Accrued interest receivable on quoted bonds	2,403,875	0.79	0.80
Portfolio of investments	301,664,220	99.33	96.80
Other net assets	2,047,460	0.67	3.20
Net assets attributable to unitholders	303,711,680	100.00	100.00

STATEMENT OF PORTFOLIO
As at 31 December 2023

	Fair value at 31 December 2023 S\$	Percentage of net assets attributable to unitholders at 31 December 2023 %	Percentage of net assets attributable to unitholders at 31 December 2022 %
By Industry (Secondary)			
Agriculture	1,075,330	0.35	0.63
Airlines	1,979,376	0.65	-
Automobile	2,250,949	0.74	-
Bank and finance	75,529,794	24.88	24.02
Building Materials	5,802,290	1.92	1.82
Chemicals	-	-	0.11
Computers	1,990,081	0.66	0.58
Electric and electronic	10,420,972	3.43	1.37
Energy	1,931,031	0.64	0.37
Food and beverage	4,049,915	1.33	1.35
Insurance	23,401,957	7.70	5.99
Internet	-	-	0.69
Investment Management	4,895,624	1.61	2.63
Lodging	3,646,741	1.20	0.87
Metal	-	-	0.58
Mining	3,726,515	1.23	1.64
Miscellaneous	2,638,200	0.87	0.79
Oil & Gas	5,836,047	1.92	2.07
Private Equity	2,891,511	0.95	0.81
Real Estate	26,436,983	8.70	12.02
Real Estate investment trust	108,288,237	35.65	32.97
Retail	3,690,739	1.22	1.12
Sovereign	-	-	0.23
Telecommunications	5,795,142	1.91	2.48
Transportation	2,210,625	0.73	0.57
Warehousing	772,286	0.25	0.29
Accrued interest receivable on quoted bonds	2,403,875	0.79	0.80
Portfolio of investments	301,664,220	99.33	96.80
Other net assets	2,047,460	0.67	3.20
Net assets attributable to unitholders	303,711,680	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements

1 GENERAL

Allianz Global Investors Premier Funds is a Singapore umbrella fund constituted by a Trust Deed dated 27 November 1998 and Supplemental Deeds thereon (hereinafter referred to as “Trust Deeds”) between Allianz Global Investors Singapore Limited (“the Manager”) and HSBC Institutional Trust Services (Singapore) Limited (“the Trustee”). The Trust Deeds are governed by the laws of the Republic of Singapore.

The umbrella fund comprises below sub-funds.

- (i) Allianz Global High Payout Fund
- (ii) Allianz SGD Income Plus

Only the financial statements of Allianz SGD Income Plus (“the Fund”) are presented in this report.

The investment objective of the Fund is to provide a sustainable and regular income stream and potential capital appreciation over a market cycle, by investing primarily in a diversified portfolio of fixed income securities and real estate investment trusts.

The Fund currently has two class of units, the SGD class and USD Class. Subscriptions and redemptions of the Fund are denominated in Singapore Dollar and United States Dollar. In respect of the USD Class units, the Manager has the ability to hedge the units of such class in relation to the base currency of the Fund or the currency of the underlying investments in such manner as they deem appropriate. Where hedging of this kind is undertaken, the effect of this hedging will be reflected in the net asset value of the USD Class units, and therefore, in the performance of the USD Class units. Similarly, any expenses arising from such hedging transactions will be borne by the USD Class units.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” (“RAP 7”) issued by the Institute of Singapore Chartered Accountants.

(b) Revenue

Dividend income is recognised in the Statement of Total Return on the date that the right to receive payment is established.

(c) Financial derivatives

Financial derivatives are entered into for the purpose of efficient portfolio management and for generating option premiums which will enhance distributions and to reduce overall portfolio risk as determined by the Manager and in accordance with the provisions of the Trust Deeds.

Financial derivatives outstanding at the end of the financial period are measured at their fair values using the marked-to-market method, and the resultant gains and losses are taken up in the Statement of Total Return.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid out on the distribution date. The amount shall not be treated as part of the property of the Fund. Distributions are accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

(e) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net change in fair value on investments are included in the Statement of Total Return in the year in which they arise.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statement of Total Return.

(f) Basis of valuation of investments

The fair value of financial assets and liabilities (such as traded derivatives, quoted equities and quoted debt securities) traded in active markets is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for investments in equities held by the Fund is the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value. The quoted market price used for investments in debt securities held by the Fund is the market mid prices. Accrued interest or discount or premium on debt securities at the reporting date are included in the fair value of debt securities. Interest income on debt securities is presented within net gains or losses on investments on the Statements of Total Return.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Foreign currencies

(i) Functional and presentation currency

Subscriptions and redemptions of the units in the Fund is primarily denominated in United States dollars and Singapore dollars.

The performance of the Fund is measured and reported to the investors in Singapore Dollars and its expenses are predominantly in Singapore Dollars. The Manager considers Singapore Dollars as the currency of the primary economic environment in which the Fund operates. Therefore, the Manager considers the Singapore Dollar as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The Fund's functional and presentation currency is Singapore Dollars.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the Statement of Total Return. Translation differences on non-monetary financial assets and liabilities are also recognised in the Statement of Total Return within the "net gain or loss on investments".

(h) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(i) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

(k) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Margin deposits

The margin deposits comprise cash held with the financial derivatives counterparties for the purpose of transferring of cash to fund future margin maintained with the clearing house.

(m) Collateral

For non-cash collateral, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Fund classifies that asset in its statement of financial position separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge, a disclosure of the non-cash collateral provided is made in the notes to the financial statements.

(n) Offsetting financial instruments

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

3 INCOME TAX

The trustee of the Fund has assessed and is satisfied that the Fund has met the requisite conditions of the Section 13D* Scheme provided under section 13D of the Income Tax Act (and the relevant Regulations) for the current financial year. Under the Section 13D Scheme, the Fund enjoys Singapore corporate income tax exemption on “specified income” derived from “designated investments”. Losses from “designated investments” are correspondingly disregarded. The terms “specified income” and “designated investments” are defined in the relevant Regulations.

The trustee of the Fund will ensure that the Fund fulfills its reporting obligations under the Section 13D* Scheme.

	2023	2022
	S\$	S\$
Singapore income tax	450,281	236,091
Oversea income tax	161,382	572,482
Total income tax	611,663	808,573

The Singapore income tax represents tax deducted at source for Singapore sourced dividends.

The overseas income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS

	2023 S\$	2022 S\$
Class AM SGD		
Distribution of SGD 0.304 cents per unit on 26 January 2023 to unitholders as at 16 January 2023	453,999	-
Distribution of SGD 0.307 cents per unit on 23 February 2023 to unitholders as at 15 February 2023	442,796	-
Distribution of SGD 0.302 cents per unit on 23 March 2023 to unitholders as at 15 March 2023	418,902	-
Distribution of SGD 0.400 cents per unit on 25 April 2023 to unitholders as at 17 April 2023	542,953	-
Distribution of SGD 0.399 cents per unit on 23 May 2023 to unitholders as at 15 May 2023	533,831	-
Distribution of SGD 0.393 cents per unit on 23 June 2023 to unitholders as at 15 June 2023	519,611	-
Distribution of SGD 0.394 cents per unit on 25 July 2023 to unitholders as at 17 July 2023	516,977	-
Distribution of SGD 0.386 cents per unit on 23 August 2023 to unitholders as at 15 August 2023	503,299	-
Distribution of SGD 0.385 cents per unit on 25 September 2023 to unitholders as at 15 September 2023	493,604	-
Distribution of SGD 0.375 cents per unit on 24 October 2023 to unitholders as at 16 October 2023	475,887	-
Distribution of SGD 0.415 cents per unit on 24 November 2023 to unitholders as at 15 November 2023	512,631	-
Distribution of SGD 0.426 cents per unit on 23 December 2023 to unitholders as at 15 December 2023	524,511	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS (continued)

	2023	2022
	S\$	S\$
Class AM SGD (continued)		
Distribution of SGD 0.333 cents per unit on 25 January 2022 to unitholders as at 17 January 2022	-	518,338
Distribution of SGD 0.328 cents per unit on 23 February 2022 to unitholders as at 15 February 2022	-	511,752
Distribution of SGD 0.322 cents per unit on 23 March 2022 to unitholders as at 15 March 2022	-	500,560
Distribution of SGD 0.326 cents per unit on 26 April 2022 to unitholders as at 18 April 2022	-	505,201
Distribution of SGD 0.318 cents per unit on 25 May 2022 to unitholders as at 17 May 2022	-	491,429
Distribution of SGD 0.310 cents per unit on 23 June 2022 to unitholders as at 15 June 2022	-	478,236
Distribution of SGD 0.304 cents per unit on 25 July 2022 to unitholders as at 15 July 2022	-	466,385
Distribution of SGD 0.309 cents per unit on 23 August 2022 to unitholders as at 15 August 2022	-	473,638
Distribution of SGD 0.305 cents per unit on 23 September 2022 to unitholders as at 15 September 2022	-	463,964
Distribution of SGD 0.286 cents per unit on 26 October 2022 to unitholders as at 17 October 2022	-	429,776
Distribution of SGD 0.292 cents per unit on 23 November 2022 to unitholders as at 15 November 2022	-	435,786
Distribution of SGD 0.301 cents per unit on 23 December 2022 to unitholders as at 15 December 2022	-	449,433

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS (continued)

	2023	2022
	S\$	S\$
Class AM H2-USD		
Distribution of USD 0.304 cents per unit on 26 January 2023 to unitholders as at 16 January 2023	96,484	-
Distribution of USD 0.307 cents per unit on 23 February 2023 to unitholders as at 15 February 2023	90,853	-
Distribution of USD 0.298 cents per unit on 23 March 2023 to unitholders as at 15 March 2023	86,552	-
Distribution of USD 0.391 cents per unit on 25 April 2023 to unitholders as at 17 April 2023	112,194	-
Distribution of USD 0.390 cents per unit on 23 May 2023 to unitholders as at 15 May 2023	111,591	-
Distribution of USD 0.394 cents per unit on 23 June 2023 to unitholders as at 15 June 2023	108,143	-
Distribution of USD 0.396 cents per unit on 25 July 2023 to unitholders as at 17 July 2023	107,397	-
Distribution of USD 0.459 cents per unit on 23 August 2023 to unitholders as at 15 August 2023	128,004	-
Distribution of USD 0.458 cents per unit on 25 September 2023 to unitholders as at 15 September 2023	128,807	-
Distribution of USD 0.375 cents per unit on 24 October 2023 to unitholders as at 16 October 2023	125,231	-
Distribution of USD 0.453 cents per unit on 24 November 2023 to unitholders as at 15 November 2023	125,236	-
Distribution of USD 0.466 cents per unit on 23 December 2023 to unitholders as at 15 December 2023	127,648	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS (continued)

	2023	2022
	S\$	S\$
Class AM H2-USD (continued)		
Distribution of USD 0.332 cents per unit on 25 January 2022 to unitholders as at 17 January 2022	-	108,982
Distribution of USD 0.328 cents per unit on 23 February 2022 to unitholders as at 15 February 2022	-	105,910
Distribution of USD 0.321 cents per unit on 23 March 2022 to unitholders as at 15 March 2022	-	104,976
Distribution of USD 0.326 cents per unit on 26 April 2022 to unitholders as at 18 April 2022	-	107,233
Distribution of USD 0.318 cents per unit on 25 May 2022 to unitholders as at 17 May 2022	-	106,074
Distribution of USD 0.310 cents per unit on 23 June 2022 to unitholders as at 15 June 2022	-	103,428
Distribution of USD 0.304 cents per unit on 25 July 2022 to unitholders as at 15 July 2022	-	102,081
Distribution of USD 0.309 cents per unit on 23 August 2022 to unitholders as at 15 August 2022	-	102,673
Distribution of USD 0.304 cents per unit on 23 September 2022 to unitholders as at 15 September 2022	-	103,097
Distribution of USD 0.286 cents per unit on 26 October 2022 to unitholders as at 17 October 2022	-	97,954
Distribution of USD 0.291 cents per unit on 23 November 2022 to unitholders as at 15 November 2022	-	95,726
Distribution of USD 0.301 cents per unit on 23 December 2022 to unitholders as at 15 December 2022	-	98,247

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS (continued)

	2023 S\$	2022 S\$
Class AM2 SGD		
Distribution of SGD 0.307 cents per unit on 26 January 2023 to unitholders as at 16 January 2023	545,973	-
Distribution of SGD 0.310 cents per unit on 23 February 2023 to unitholders as at 15 February 2023	550,734	-
Distribution of SGD 0.305 cents per unit on 23 March 2023 to unitholders as at 15 March 2023	540,106	-
Distribution of SGD 0.307 cents per unit on 25 April 2023 to unitholders as at 17 April 2023	543,160	-
Distribution of SGD 0.307 cents per unit on 23 May 2023 to unitholders as at 15 May 2023	543,013	-
Distribution of SGD 0.302 cents per unit on 23 June 2023 to unitholders as at 15 June 2023	531,526	-
Distribution of SGD 0.303 cents per unit on 25 July 2023 to unitholders as at 17 July 2023	526,483	-
Distribution of SGD 0.298 cents per unit on 23 August 2023 to unitholders as at 15 August 2023	517,177	-
Distribution of SGD 0.297 cents per unit on 25 September 2023 to unitholders as at 15 September 2023	513,964	-
Distribution of SGD 0.290 cents per unit on 24 October 2023 to unitholders as at 16 October 2023	499,804	-
Distribution of SGD 0.442 cents per unit on 24 November 2023 to unitholders as at 15 November 2023	758,368	-
Distribution of SGD 0.454 cents per unit on 23 December 2023 to unitholders as at 15 December 2023	777,551	-
Distribution of SGD 0.324 cents per unit on 23 March 2022 to unitholders as at 15 March 2022	-	604,943
Distribution of SGD 0.329 cents per unit on 26 April 2022 to unitholders as at 18 April 2022	-	614,438

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS (continued)

	2023 S\$	2022 S\$
Distribution of SGD 0.321 cents per unit on 25 May 2022 to unitholders as at 17 May 2022	-	599,515
Distribution of SGD 0.313 cents per unit on 23 June 2022 to unitholders as at 15 June 2022	-	580,653
Distribution of SGD 0.307 cents per unit on 25 July 2022 to unitholders as at 15 July 2022	-	566,211
Distribution of SGD 0.312 cents per unit on 23 August 2022 to unitholders as at 15 August 2022	-	575,117
Distribution of SGD 0.308 cents per unit on 23 September 2022 to unitholders as at 15 September 2022	-	565,826
Distribution of SGD 0.288 cents per unit on 26 October 2022 to unitholders as at 17 October 2022	-	525,831
Distribution of SGD 0.294 cents per unit on 23 November 2022 to unitholders as at 15 November 2022	-	524,469
Distribution of SGD 0.304 cents per unit on 23 December 2022 to unitholders as at 15 December 2022	-	541,549
	2023 S\$	2022 S\$
Class AM2 H2-USD		
Distribution of USD 0.308 cents per unit on 26 January 2023 to unitholders as at 16 January 2023	69,776	-
Distribution of USD 0.310 cents per unit on 23 February 2023 to unitholders as at 15 February 2023	71,147	-
Distribution of USD 0.302 cents per unit on 23 March 2023 to unitholders as at 15 March 2023	69,884	-
Distribution of USD 0.301 cents per unit on 25 April 2023 to unitholders as at 17 April 2023	68,967	-
Distribution of USD 0.300 cents per unit on 23 May 2023 to unitholders as at 15 May 2023	68,352	-
Distribution of USD 0.304 cents per unit on 23 June 2023 to unitholders as at 15 June 2023	69,244	-
Distribution of USD 0.305 cents per unit on 25 July 2023 to unitholders as at 17 July 2023	68,596	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 DISTRIBUTIONS (continued)

Distribution of USD 0.375 cents per unit on 23 August 2023 to unitholders as at 15 August 2023	86,709	-
Distribution of USD 0.375 cents per unit on 25 September 2023 to unitholders as at 15 September 2023	86,866	-
Distribution of USD 0.366 cents per unit on 24 October 2023 to unitholders as at 16 October 2023	84,876	-
Distribution of USD 0.483 cents per unit on 24 November 2023 to unitholders as at 15 November 2023	109,012	-
Distribution of USD 0.497 cents per unit on 23 December 2023 to unitholders as at 15 December 2023	111,197	-
Distribution of USD 0.324 cents per unit on 23 March 2022 to unitholders as at 15 March 2022	-	77,433
Distribution of USD 0.329 cents per unit on 26 April 2022 to unitholders as at 18 April 2022	-	79,119
Distribution of USD 0.321 cents per unit on 25 May 2022 to unitholders as at 17 May 2022	-	78,314
Distribution of USD 0.313 cents per unit on 23 June 2022 to unitholders as at 15 June 2022	-	76,410
Distribution of USD 0.307 cents per unit on 25 July 2022 to unitholders as at 15 July 2022	-	75,459
Distribution of USD 0.312 cents per unit on 23 August 2022 to unitholders as at 15 August 2022	-	75,913
Distribution of USD 0.307 cents per unit on 23 September 2022 to unitholders as at 15 September 2022	-	76,268
Distribution of USD 0.288 cents per unit on 26 October 2022 to unitholders as at 17 October 2022	-	70,670
Distribution of USD 0.294 cents per unit on 23 November 2022 to unitholders as at 15 November 2022	-	68,983
Distribution of USD 0.304 cents per unit on 23 December 2022 to unitholders as at 15 December 2022	-	70,801
	<u>15,099,626</u>	<u>13,408,801</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

5 RECEIVABLES

	2023	2022
	S\$	S\$
Amount receivable for creation of units	21,209	-
Dividends receivable	431,127	401,227
Other receivables	23,200	441
	<u>475,536</u>	<u>401,668</u>

6 CASH AND BANK BALANCES

	2023	2022
	S\$	S\$
Cash and bank balances	<u>2,432,674</u>	<u>10,518,759</u>

The bank balances are placed with a bank which is a related company of the Trustee.

7 MARGIN ACCOUNTS WITH BROKERS

	2023	2022
	S\$	S\$
Margin accounts with brokers	<u>-</u>	<u>184,640</u>

Margin accounts represent the margin deposit amounts held with brokers.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

8 FINANCIAL DERIVATIVES AT FAIR VALUE (continued)

Financial derivative contracts comprise over-the-counter (“OTC”) forward foreign exchange contracts and future contracts. The contract or underlying principal amounts of these financial derivatives and their corresponding gross fair values at the reporting date are analysed below:

2023	Contract or underlying principal amount S\$	Fair Value	
		Asset	Liability
		S\$	S\$
Forward foreign exchange contracts	219,155,040	1,848,812	1,971,685
		1,848,812	1,971,685

2022	Contract or underlying principal amount S\$	Fair Value	
		Asset	Liability
		S\$	S\$
Forward foreign exchange contracts	261,548,823	3,542,040	1,404,798
Future contracts	3,143,961	81,583	-
		3,623,623	1,404,798

9 PAYABLES

	2023	2022
	S\$	S\$
Amount payable for cancellation of units	214,337	66,819
Manager fee payable	485,362	556,758
Accrued expenses	38,178	49,639
	737,877	673,216

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 UNITS IN ISSUE

During the year ended 31 December 2023 and 31 December 2022, the number of units issued, redeemed and outstanding were as follows:

	2023		2022	
	Class AM SGD	Class AM H2-USD	Class AM SGD	Class AM H2-USD
	Units	Units	Units	Units
Units at beginning of the year	149,421,702	24,033,103	156,143,081	24,311,814
Units created	3,509,352	319,673	1,311,489	139,289
Units cancelled	(30,016,879)	(3,776,047)	(8,032,868)	(418,000)
Units at end of the year	122,914,175	20,576,729	149,421,702	24,033,103

	2023		2022	
	Class AM2 SGD	Class AM2 H2-USD	Class AM2 SGD	Class AM2 H2-USD
	Units	Units	Units	Units
Units at beginning of the year	178,035,670	17,154,641	-	-
Units created	1,539,732	196,402	190,918,579	17,728,653
Units cancelled	(8,239,771)	(542,823)	(12,882,909)	(574,012)
Units at end of the year	171,335,631	16,808,220	178,035,670	17,154,641

	2023		2022	
	Class AM SGD	Class AM H2-USD	Class AM SGD	Class AM H2-USD
Net assets attributable to unitholders	104,751,733	17,672,628	128,093,146	27,620,084
Net assets attributable to unitholders (SGD equivalent)	104,751,733	23,311,964	128,093,146	37,044,057
Net asset value per unit	0.8517	0.8591	0.8573	1.1493
Net asset value per unit (SGD equivalent)	0.8517	1.1333	0.8573	1.5410

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 UNITS IN ISSUE (continued)

	2023		2022	
	Class AM2 SGD	Class AM2 H2-USD	Class AM2 SGD	Class AM2 H2- USD
Net assets attributable to unitholders	155,385,502	15,404,555	161,018,492	20,822,206
Net assets attributable to unitholders (SGD equivalent)	155,385,502	20,320,149	161,018,492	27,926,743
Net asset value per unit	0.9069	0.9165	0.9044	1.2138
Net asset value per unit (SGD equivalent)	0.9069	1.2089	0.9044	1.6280

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the reporting date is presented below:

	2023		2022	
	Class AM SGD	Class AM H2- USD	Class AM SGD	Class AM H2- USD
	S\$	US\$	S\$	US\$
Net asset attributable to unitholders per unit per financial statements	0.8517	0.8591	0.8573	0.8569
Effect of preliminary expenses	-	-	0.0001	0.0001
Effect of movement in the net asset value between the last dealing date and the end of the reporting year	0.0001	0.0001	0.0002	0.0002
Net assets attributable to unitholders per unit for issuing/redeeming	0.8518	0.8592	0.8576	0.8572

* Denotes amount less than SGD0.001/US\$0.001

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 UNITS IN ISSUE (continued)

	2023		2022	
	Class AM2 SGD S\$	Class AM2 H2-USD US\$	Class AM2 SGD S\$	Class AM2 H2- USD US\$
Net asset attributable to unitholders per unit per financial statements	0.9069	0.9165	0.9044	0.9050
Effect of preliminary expenses	-	-	0.0001	0.0001
Effect of movement in the net asset value between the last dealing date and the end of the reporting year	0.0001	0.0001	0.0002	0.0002
Net assets attributable to unitholders per unit for issuing/redeeming	0.9070	0.9166	0.9047	0.9053

11 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use financial futures contracts, options and/or currency forward contracts subject to the terms of the Trust Deed to moderate certain risk exposures. Specific guidelines on exposures to individual security and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Fund's risk exposures.

The Fund's assets principally consist of equity, debt securities, foreign exchange forward contracts, future contracts and cash. They are held in accordance with the published investment policies of the Fund. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity is limited to the fair value of these positions. The maximum loss of capital on forward currency contracts is limited to the notional contract values of these positions.

The following is a summary of the main risks and risk management policies:

(a) Market risk

Market risk is the risk of loss to the value of investments because of changes in market conditions like interest and currency rate movements and volatility in security prices. External factors such as changes in economic environment, consumption patterns and investor's expectation contribute to market risk which may have a significant impact on the asset's value.

The Fund's investments are substantially dependent on changes in market prices. The Manager monitors the Fund's investments closely so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

the asset value of the Fund. Guidelines are set to reduce the Fund's risk exposures to market volatility such as diversifying the portfolio by investing across various geographies/industries.

COVID-19 pandemic continues to evolve and develop. The situation is dynamic with various cities and countries around the world responding in different ways to address the pandemic. As a result of the COVID-19 pandemic, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the impact or duration of the volatility on the portfolio of the fund. The Manager is closely monitoring the development of the COVID-19 pandemic and its related impact.

The Fund's market risk is affected primarily by three components: changes in actual market prices, interest rate volatilities and foreign exchange movements.

(i) Price risk

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

The Fund is exposed to price risk arising from changes in market prices. Price risk is managed by investing in a portfolio of different investments in accordance with the investment objective of the Fund. The following table discloses the financial assets and liabilities at fair value through profit or loss of the Fund by product type:

	2023	2022
	S\$	S\$
Financial assets at fair value through profit or loss		
- Quoted equities	102,292,251	101,157,995
- Quoted debt securities	199,371,969	225,609,526
- Foreign exchange forward contracts	1,848,812	3,542,040
- Future contracts	-	81,583
	303,513,032	330,391,144
Financial liabilities at fair value through profit or loss		
- Foreign exchange forward contracts	1,971,685	1,404,798
	-	-
	1,971,685	1,404,798

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)

(i) Price risk (continued)

The impact on a 10% (2022: 10%) increase in value of the investments as at 31 December 2023, with all other variables held constant, is shown below. An equal change in the opposite direction would have reduced the net assets attributable to unitholders by an equal but opposite amount.

	Market exposures	Change in net assets if investment value increased by 10%
	S\$	S\$
Price sensitivity		
As at 31 December 2023		
- Quoted equities	102,292,251	10,229,225
As at 31 December 2022		
- Quoted equities	101,157,995	10,115,800
- Future contracts	81,583	8,158

As at 31 December 2023 and 2022, the Fund invested in debt securities. The Manager considers that the price of debt investments is more sensitive to fluctuation in interest rates and credit ratings which are set out in notes 11(ii) and 11(c) respectively.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

It affects the value of fixed income securities more directly than equities. As interest rates rise, prices of fixed income securities may fall and vice versa. The rationale is that as interest rates increase, the opportunity cost of holding a fixed income security increases since investors are able to realise greater yields by switching to other investments that reflect the higher interest rate. The Manager will regularly assess the economic condition, monitor changes in interest rates outlook and take appropriate measures accordingly to control the impact of interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)**(ii) Interest rate risk (continued)**

The tables below summarise the fund's exposure to interest rate risks. They include the fund's assets and liabilities at fair value, categorised by the interest rate types.

As at 31 December 2023	Variable rates	← Fixed rates →	Non-interest bearing	Total	
		Up to 1 year	1-5 years	Over 5 years	
	S\$	S\$	S\$	S\$	S\$
Assets					
Portfolio of investments	-	4,471,714	69,284,839	123,211,541	104,696,126
Receivables	-	-	-	-	587,646
Financial derivatives	-	-	-	-	1,848,812
Cash and bank balances	2,320,564	-	-	-	-
Total assets	2,320,564	4,471,714	69,284,839	123,211,541	107,132,584
Liabilities					
Payables	-	-	-	-	737,877
Financial derivatives	-	-	-	-	1,971,685
Total liabilities	-	-	-	-	2,709,562

As at 31 December 2022	Variable rates	← Fixed rates →	Non-interest bearing	Total	
		Up to 1 year	1-5 years	Over 5 years	
	S\$	S\$	S\$	S\$	S\$
Assets					
Portfolio of investments	-	6,784,060	76,528,328	139,597,287	103,857,846
Receivables	-	-	-	-	401,668
Financial derivatives	-	-	-	-	3,623,623
Cash and bank balances	10,518,759	-	-	-	-
Margin accounts with brokers	-	-	-	-	184,640
Total assets	10,518,759	6,784,060	76,528,328	139,597,287	108,067,777
Liabilities					
Payables	-	-	-	-	673,216
Cash collateral	-	-	-	-	1,864,268
Financial derivatives	-	-	-	-	1,404,798
Total liabilities	-	-	-	-	3,942,282

The duration, a measure of the sensitivity of the price of a fixed income security to a change in interest as at 31 December 2023 is XX.XX (2022: 13.93). As of 31 December 2023, should interest rates lower or rise by 1% (2022: 1%) with all other variables remaining constant, the increase or decrease in net assets attributable to unitholders would be as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)**(ii) Interest rate risk (continued)**

	Duration for 2023/2022	Impact of 1% (2022:1%) movement in interest rate on net assets attributable to the unitholders	
		2023	2022
		S\$	S\$
Allianz SGD Income Plus Fund	2.84/3.79	5,591,445	8,441,305

(iii) Currency risk

The Fund has monetary financial assets/liabilities denominated in currencies other than the functional currency and the Fund may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the functional currency and such other currencies. The Fund may enter into foreign currency contracts designed to either hedge some or all of this exposure, or alternatively increase exposure to preferred foreign currencies.

The tables below summarise the Fund's exposure to key currencies at the end of the financial year. Monetary and non-monetary items have been taken into the account for the analysis.

As at 31 December 2023

	SGD	USD	AUD	EUR	Others	Total
	S\$	S\$	S\$	S\$	S\$	S\$
Assets						
Portfolio of investments	161,622,709	96,377,583	34,004,985	1,879,458	7,779,485	301,664,220
Receivables	133,928	21,967	431,160	453	138	587,646
Cash and bank balances	1,028,008	678,451	46,849	151,099	416,157	2,320,564
Total assets	162,784,645	97,078,001	34,482,994	2,031,010	8,195,780	304,572,430

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)

(iii) Currency risk (continued)

	SGD	USD	AUD	EUR	Others	Total
	S\$	S\$	S\$	S\$	S\$	S\$
Liabilities						
Payables	731,328	6,549	-	-	-	737,877
Total liabilities	731,328	6,549	-	-	-	737,877
Net financial assets	162,053,317	97,071,452	34,482,994	2,031,010	8,195,780	
Currency forwards	98,537,128	(50,260,570)	(38,243,567)	(1,894,035)	(8,261,829)	
Net exposure	260,590,445	46,810,882	(3,760,573)	136,975	(66,049)	

As at 31 December 2022

	SGD	USD	AUD	EUR	Others	Total
	S\$	S\$	S\$	S\$	S\$	S\$
Assets						
Portfolio of investments	170,135,280	111,578,012	35,255,672	79,418	9,719,139	326,767,521
Receivables	100	330	401,234	-	4	401,668
Financial derivatives	81,583	-	-	-	-	81,583
Cash and bank balances	3,410,233	3,941,714	384,450	1,454,198	1,328,164	10,518,759
Margin accounts with brokers	1,881	182,759	-	-	-	184,640
Total assets	173,629,077	115,702,815	36,041,356	1,533,616	11,047,307	337,954,171
Liabilities						
Payables	667,232	5,984	-	-	-	673,216
Cash collateral	-	1,864,268	-	-	-	1,864,268

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)**(iii) Currency risk (continued)**

	SGD	USD	AUD	EUR	Others	Total
	S\$	S\$	S\$	S\$	S\$	S\$
Total liabilities	667,232	1,870,252	-	-	-	2,537,484
Net financial assets	172,961,845	113,832,563	36,041,356	1,533,616	11,047,307	
Currency forwards	109,679,644	(56,114,691)	(38,688,229)	(4,295,586)	(8,443,896)	
Net exposure	282,641,489	57,717,872	(2,646,873)	(2,761,970)	2,603,411	

The Fund's monetary assets/liabilities are measured for their sensitivity to exchange rate movements based on the balance of the monetary assets/liabilities, which are inclusive of all share class currency hedging, forecasted exchange rate movements and net asset value of the Fund.

As of 31 December 2023 and 2022, the Fund's exposure to foreign currency fluctuations is not considered to be significant except for the currency presented in the table below which shows the Fund's sensitivity to exchange rate movements on significant monetary assets/liabilities denominated in foreign currencies, should this currency increase/decrease by a reasonable possible shift with all other variables held constant. The analysis is based on the assumptions that the functional currency increased/decreased to the relevant foreign exchange rates as disclosed below. This represents the Manager's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

Currency	Volatility (%)	Net impact to net assets attributable to unitholders	
		2023	2022
		S\$	S\$
USD	5.11%	2,392,036	2,863,961

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)**(b) Liquidity risk**

The Fund is exposed to daily redemption of units in the Fund. They therefore invest the majority of their assets in investments that are traded in active market and can be readily disposed of.

The Fund may, from time to time, invest in currency forward contracts traded over the counter, which are not traded in an organised market and may be illiquid.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

31 December 2023	Less than 3 months	3 months- 1 year	1-5 years	Above 5 years
	S\$	S\$	S\$	S\$
Derivative financial instruments				
- inflows	(103,703,768)	-	-	-
- outflows	105,675,453	-	-	-
Payables	737,877	-	-	-

31 December 2022	Less than 3 months	3 months- 1 year	1-5 years	Above 5 years
	S\$	S\$	S\$	S\$
Derivative financial instruments				
- inflows	(75,260,286)	(5,000,000)	-	-
- outflows	76,608,893	5,056,192	-	-
Payables	673,216	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk is the risk that counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

The Fund invests mostly in financial assets, which have an investment grade as rated by Standard and Poor's ("S&P"), Fitch or Moody's. The credit ratings are reviewed regularly.

The table below analyses the Fund's investments by credit ratings in percentage, out of total net asset attributable to unitholders.

	2023	2022
	%	%
AAA	0.67	0.23
AA	0.41	-
AA-	-	0.35
A+	0.44	1.49
A	0.99	0.43
A-	2.05	2.32
BBB+	11.87	7.68
BBB-	8.96	14.26
BBB	7.68	8.02
BB+	6.47	2.76
BB-	1.87	3.08
BB	3.38	4.75
Unrated	20.07	20.67
Accrued interest receivable on quoted bonds	0.79	0.80
Total debt securities	65.65	66.84

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Credit risk also arises from cash and cash equivalents and assets held with financial institutions.

The Fund may also enter into derivatives to manage its exposures to currency risk and price risk, including foreign exchange forward contracts and options. Hence, the Fund is also exposed to the risk that its derivatives held with counterparties may not be recoverable in the event of any default by the parties concerned. The Manager minimises the Fund's credit risk by undertaking transactions with banks that are part of banking groups with good credit-ratings assigned by international credit rating agencies.

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For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

For purposes of impairment assessment, the Fund's assets which are measured at amortised cost are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ("ECL"). The ECL for these assets as at the end of the reporting period is not significant.

The tables below summarise the credit rating of banks and custodian in which the Fund's assets are held as at 31 December 2023 and 2022.

	Credit rating^{##}	Source of Credit rating
2023		
<u>Custodian</u>		
The Hongkong and Shanghai Banking Corporation Limited	A2	Moody's
<u>Bank</u>		
The Hongkong and Shanghai Banking Corporation Limited	A2	Moody's
Goldman Sachs Bank USA /NY	A1	Moody's
State Street Bank & Trust Company	A1	Moody's
2022		
<u>Custodian</u>		
The Hongkong and Shanghai Banking Corporation Limited	A2	Moody's
<u>Bank</u>		
The Hongkong and Shanghai Banking Corporation Limited	A2	Moody's
Goldman Sachs Bank USA /NY	A1	Moody's
State Street Bank & Trust Company	A1	Moody's

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

^{##} Group credit ratings are presented for unrated subsidiaries.

(d) Capital management

The Fund's capital is represented by the net assets attributable to unitholders. The Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet unitholders' redemptions.

(e) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis

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For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)**(e) Fair value estimation (continued)**

for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The following tables analyse within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2023 and 2022:

As at 31 December 2023	Level 1	Level 2	Level 3	Total
	S\$	S\$	S\$	S\$
Assets				
Portfolio of investments				
- Quoted equities	102,292,251	-	-	102,292,251
- Quoted debt securities	-	199,371,969	-	199,371,969
Financial derivatives at fair value				
- Foreign exchange forward contracts	-	1,848,812	-	1,848,812
	102,292,251	201,220,781	-	303,513,032
Liabilities				
Financial derivatives at fair value				
- Foreign exchange forward contracts	-	1,971,685	-	1,971,685
	-	1,971,685	-	1,971,685

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)**(e) Fair value estimation (continued)**

As at 31 December 2022	Level 1	Level 2	Level 3	Total
	S\$	S\$	S\$	S\$
Assets				
Portfolio of investments				
- Quoted equities	101,157,995	-	-	101,157,995
- Quoted debt securities	-	225,609,526	-	225,609,526
Financial derivatives at fair value				
- Foreign exchange forward contracts	-	3,542,040	-	3,542,040
- Future contracts		81,583	-	81,583
	101,157,995	229,233,149	-	330,391,144
Liabilities				
Financial derivatives at fair value				
- Foreign exchange forward contracts	-	1,404,798	-	1,404,798
	-	1,404,798	-	1,404,798

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, comprise active listed equities and exchange-traded instruments. The Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds and over-the-counter derivatives.

The assets and liabilities included in the Statement of Financial Position except portfolio of investment are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

(f) Offsetting financial assets and financial liabilities

As at 31 December 2023 and 2022, the Fund was subject to one master netting arrangement with various counterparties. All of the derivative assets and liabilities of the Fund are held with the counterparties and the margin balance maintained by the Fund is for the purpose of providing collateral on derivative positions.

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 FINANCIAL RISK MANAGEMENT (continued)

(f) Offsetting financial assets and financial liabilities (continued)

	Gross amount of recognised financial assets and liabilities	Gross amount of recognised financial assets and liabilities set-off in the statement of financial position	Net amount of financial assets and liabilities presented in the statement of financial position	Related amount not set-off in the statement of financial position		Net amount
				Financial instruments	Cash collateral	
	S\$	S\$	S\$	S\$	S\$	S\$
2023						
Derivative assets	1,848,812	-	1,848,812	(1,848,812)	-	-
Derivative liabilities	(1,971,685)	-	(1,971,685)	1,848,812	-	(122,873)
	Gross amount of recognised financial assets and liabilities	Gross amount of recognised financial assets and liabilities set-off in the statement of financial position	Net amount of financial assets and liabilities presented in the statement of financial position	Related amount not set-off in the statement of financial position		Net amount
				Financial instruments	Cash collateral	
	S\$	S\$	S\$	S\$	S\$	S\$
2022						
Derivative assets	3,542,040	-	3,542,040	(1,404,798)	-	2,137,242
Derivative liabilities	(1,404,798)	-	(1,404,798)	1,404,798	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

12 RELATED PARTY TRANSACTIONS

Management fees are paid to the Manager, while trustee fee is paid to the Trustee. These fees paid or payable by the Fund shown in the Statement of Total Return and in the respective notes to the financial statements are on terms set out in the Trust Deed.

In addition to the related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial year/period between the Fund and related parties at terms agreed between the parties and within the provisions of the Trust Deed:

	2023 S\$	2022 S\$
Interest income earned from a bank which is a related company of the Trustee	28,959	10,020
Interest expense incurred with a bank which is a related company of the Trustee	1,689	1,074
Transaction fees charged by the Trustee	-	5,530
Registration fees charged by a related company of the Trustee	46,225	43,121
Trustee fees charged by a related company of the Trustee	88,632	62,898
Custodian fees charged by a related company of the Trustee	63,167	55,147
Administrator fees charged by a related company of the Trustee	73,027	79,179
Bank service fees charged by a bank which is a related company of the Trustee	25,204	10,991

The Manager of the Fund is Allianz Global Investors Singapore Limited. The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the Hongkong and Shanghai Banking Corporation Limited. Management fees are paid to the Manager. The trustee fees, custody fees, registration fees and valuation fees charged by, and interest earned on deposits with, the Hongkong and Shanghai Banking Corporation Limited are shown in the Statement of Total Return. Bank balances placed with the Hongkong and Shanghai Banking Corporation Limited is set out in note 6.

13 FINANCIAL RATIOS

	2023 %	2022 %
Expense ratio ¹	1.22	1.17
Portfolio turnover ratio ²	57.83	29.28

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

13 FINANCIAL RATIOS (continued)

- ¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore (“IMAS”). The calculation of the expense ratio at 31 December 2023 was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.
- ² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the total value of purchases of the underlying investments divided by the average daily net asset value.

The following table presents the total operating expenses, lower of total value of purchase or sales and average net asset values of the Fund for the financial year ended 31 December 2023.

	2023	2022
	S\$	S\$
Expense ratio calculations		
Total operating expenses	3,854,535	4,142,756
Average net asset value	315,929,723	353,950,560
Turnover ratio calculations		
Lower of total value of purchases or sales	182,713,861	103,648,025
Average net asset value	315,929,723	353,950,560

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