

# Allianz China Multi Income Plus

**PRODUCT KEY FACTS**  
August 2022

- ***This statement provides you with key information about Allianz China Multi Income Plus (the “Sub-Fund”).***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***

## Quick facts

<b>Management Company:</b>	Allianz Global Investors GmbH
<b>Investment Managers:</b>	Allianz Global Investors Asia Pacific Limited, based in Hong Kong (internal delegation) Allianz Global Investors Singapore Limited, based in Singapore (internal delegation)
<b>Depository:</b>	State Street Bank International GmbH, Luxembourg Branch
<b>Dealing Frequency:</b>	Daily; each day banks and exchanges are open in Hong Kong, Singapore and Luxembourg
<b>Base Currency:</b>	USD
<b>Dividend Policy:</b>	<p>Distribution Shares (Class A) – will be distributed annually on 15 December (subject to the Company’s discretion)</p> <p>Distribution Shares (Class AM/AMg) – will be distributed on 15<sup>th</sup> of every month (subject to the Company’s discretion)</p> <p>Accumulation Shares (Class AT) – all income are reinvested</p> <p>Dividend payments may, at the sole discretion of the Company, be made out of the Sub-Fund’s income and/or capital (Class A/AM/AMg). The Company may at its sole discretion also pay distribution out of gross income while charging/paying all or part of the Sub-Fund’s fees and expenses to/out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital (Class AMg). Distributions out of capital or effectively out of capital may result in an immediate decrease of the NAV per share of the Sub-Fund.</p>
<b>Financial year end of the Sub-Fund:</b>	30 September
<b>Minimum Investment:</b>	
<b>Initial</b>	USD 5,000 (or equivalent amount in other available currencies) or EUR 5,000 or HKD 50,000
<b>Subsequent</b>	USD 1,000 (or equivalent amount in other available currencies) or EUR 1,000 or HKD 10,000
<b>Ongoing Charges over a year</b>	
Class A / AM / AMg / AT*	1.56%

\*The ongoing charges figures are calculated based on the costs incurred by the Sub-Fund over a 12-month period divided by the average net assets over the same period based on the information in the latest audited financial statement for the year ended 30 September 2021. It is provided for each share class available within the Sub-Fund. This figure may vary from year to year. It includes All-in-Fee plus the Luxembourg tax (Taxe d’Abonnement) and excludes transaction cost. Rounding differences may occur.

## What is this product?

The Sub-Fund is a sub-fund of Allianz Global Investors Fund (the “Company”), which is constituted as an open ended investment company in Luxembourg. It is regulated by Commission de Surveillance du Secteur Financier (“CSSF”) in Luxembourg.

## Investment Objective

Long-term capital growth and income by investing in equity and bond markets of the People's Republic of China (PRC), Hong Kong and Macau.

## Investment Strategy

At least 70% of Sub-Fund assets are invested directly in equities and/or debt securities which are exposed or connected to People's Republic of China, Hong Kong and Macau (eg. companies with registered offices or sales/profits predominantly in those regions). Less than 30% of the Sub-Fund may be invested into equities and/or debt securities and/or other asset classes other than the above.

Up to 80% of Sub-Fund assets may be invested in equities.

Up to 80% of the Sub-Fund assets may be invested in debt securities, which shall include RMB denominated interest-bearing securities issued outside of Mainland China ("Dim Sum" Bonds).

Up to 80% of Sub-Fund assets may be invested in debt securities which, at the time of acquisition, are rated BB+ or below (by Standard & Poor's, Fitch or equivalently by other rating agencies), or if unrated, as determined by the Investment Managers to be of comparable quality and which, at the time of acquisition, are rated CC (Standard and Poor's) or lower (including up to 10% of Sub-Fund assets in defaulted securities).

Up to 50% of Sub-Fund assets may be invested in China A-Shares, China B-Shares and/or debt securities in the PRC either directly (via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (the "Stock Connect") in the case of China A-Shares and/or China Interbank Bond Market (CIBM) initiative or Bond Connect or qualified foreign institutional investor ("FII") program in the case of debt securities) and/or indirectly through all eligible instruments.

The allocation of the Sub-Fund's investments across asset classes may vary substantially from time to time. The Sub-Fund's investments in each asset class are based upon the Investment Managers' assessment of economic conditions and market factors, including equity price levels, interest rate levels and whether the equity price and interest rate are anticipated to rise or fall.

Up to 80% of Sub-Fund assets may be held in time deposits and/or (up to 20% of Sub-Fund assets) in deposits at sight or invested directly in money market instruments and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances (eg. market crash or major crisis), and if the investment managers consider it in the best interest of the Sub-Fund.

The Sub-Fund may invest less than 30% of its assets in instruments with loss-absorption features (including contingent convertible bonds, senior non-preferred debt securities, instruments issued under the resolution regime for financial institutions and other capital instruments issued by banks or other financial institutions), of which a maximum of 10% of the Sub-Fund's assets may be invested in contingent convertible bonds. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.

## Use of derivatives/investment in derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

## What are the key risks?

**Investment involves risks. The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. Please refer to the Prospectus for details including the risk factors.**

### 1. Investment Risk/General Market Risk

- The Sub-Fund is an investment fund. There is no guarantee of the repayment of principal. The instruments invested by the Sub-Fund may fall in value.
- The Sub-Fund invests directly or indirectly in equity and interest-bearing securities, and is exposed to various general trends and tendencies in the economic and political situations as well as securities markets and investment sentiment, which are partially attributable to irrational factors.

### 2. Country and Region Risk

- The Sub-Fund's investments focus on the PRC, Hong Kong and Macau, which may increase the concentration risk. Consequently, the Sub-Fund is particularly susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events and risks of this region, or of companies based and/or operating in this region. The net asset value of the Sub-Fund may be more volatile than a diversified fund.

**3. Emerging Market Risk**

- The Sub-Fund invests in emerging markets, such as A Shares in the PRC, which involve certain risks and special considerations not typically associated with investment in more developed economies or markets, such as greater political, tax, economic, foreign exchange, liquidity, regulatory risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

**4. Risks of Investing in China A-Shares**

- The Sub-Fund's investment in A-Shares may be subject to higher volatility and lower liquidity compared with shares of more developed markets (eg. due to the risk of suspension/limitation in trading of a particular stock or implementation of policies that may affect the financial markets by the government or the regulators).

**5. Creditworthiness Risk/Credit Rating Risk**

- The interest-bearing securities held by the Sub-Fund may be downgraded and may fall in value. This will also lead to a fall in the net asset value of the Sub-Fund. The Sub-Fund may or may not be able to dispose of the debt instruments that are being downgraded. Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

**6. Asset Allocation Risk**

- The investments of the Sub-Fund may be periodically rebalanced and therefore the Sub-Fund may incur greater transaction costs than a Sub-Fund with static allocation strategy.

**7. Interest Rate Risk**

- The Sub-Fund invests in interest-bearing securities and is exposed to interest rate fluctuations. If market interest rates rise, the value of the interest-bearing assets held by the Sub-Fund may decline substantially.

**8. Volatility and Liquidity Risk**

- The securities in the PRC markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations and potential settlement difficulties. The bid and offer spreads of the price of such securities may be large and the fund may incur significant trading costs.

**9. Specific Risks of Investing in High-Yield (Non-Investment Grade and Unrated) Investments**

- Investing in high-yield (non-investment grade and unrated) investments are normally associated with higher volatility, greater risk of loss of principal and interest, increased creditworthiness and downgrading risk, default risk, interest rate risk, general market risk, and liquidity risk, all of which may adversely impact the net asset value of the Sub-Fund.

**10. Sovereign Debt Risk**

- The Sub-Fund's investment in interest-bearing securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers.

**11. Valuation Risk**

- Valuation of the Sub-Fund assets may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.

**12. RMB Debt Securities Risk**

- The "Dim Sum" bond market is still a relatively small market which is more susceptible to volatility and illiquidity. The operation of the "Dim Sum" bond markets as well as new issuances could be disrupted causing a fall in the net asset value of the Sub-Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).
- The Sub-Fund invests in onshore Interest-bearing Securities in Mainland China. Market volatility and potential lack of liquidity due to low trading volumes in such markets may result in prices of securities traded to fluctuate significantly, and may result in substantial volatility in the Net Asset Value of the Sub-Fund, and the subscription and redemption of Sub-Fund's units to be disrupted.

**13. Credit Rating Agency Risk**

- The credit appraisal system in the Mainland China and the rating methodologies employed in the Mainland China may be different from those employed in other markets. Credit ratings given by Mainland China rating agencies may therefore not be directly comparable with those given by other international rating agencies.

**14. Company-specific Risk**

- The Sub-Fund may invest in equities. If a company-specific factor of an equity deteriorates, the price of the respective asset may drop significantly, which may adversely impact the net asset value of the Sub-Fund.

**15. Currency Risk**

- Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also a class of Shares may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

**16. RMB Risk**

- The Sub-Fund may invest in assets denominated in offshore and onshore Chinese Renminbi. The Chinese Renminbi traded in Mainland China is not freely convertible and is subject to exchange controls, policies and restrictions. The Chinese Renminbi may be subject to devaluation, in which case the value of the investments in Chinese Renminbi assets will be adversely affected. Furthermore although offshore Renminbi and onshore Renminbi are the same currency, they trade at different rates. Any divergence between offshore Renminbi and onshore Renminbi may adversely impact investors.

**17. Derivatives Risk**

- The Sub-Fund may invest in derivatives, which may expose the Sub-Fund to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks, all of which may adversely impact the net asset value of the Sub-Fund. The leverage component of financial derivative instruments ("FDI") can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. The Sub-Fund's use of FDI in efficient portfolio management (including for hedging) may become ineffective and/or cause the Sub-Fund to suffer significant losses.

**18. Risk related to Distribution out of Capital and Distribution effectively out of Capital**

- The payment of distributions out of capital/effectively out of capital represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. Any such distributions may result in an immediate decrease in the net asset value per Share.
- The distribution amount and net asset value of any hedged share classes of the Sub-Fund may be adversely affected by differences in the interest rates of the reference currency of the hedged share classes and the base currency of the Sub-Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged share classes.

**19. Risks associated with the Stock Connect**

- The Stock Connect is novel in nature. The relevant regulations are relatively new and subject to continuous evolution which may have potential retrospective effect. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programme is effected, the Sub-Fund's ability to invest in Chinese A-Shares or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

**20. Risks of investing in CIBM**

- The Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Sub-Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value. The relevant rules and regulations on investment in the CIBM via the CIBM initiative and/or Bond Connect are subject to change which may have potential retrospective effect. In the event that the relevant PRC authorities suspend trading on the CIBM, the Sub-Fund's ability to invest in the CIBM will be limited and the Sub-Fund may suffer substantial losses as a result.

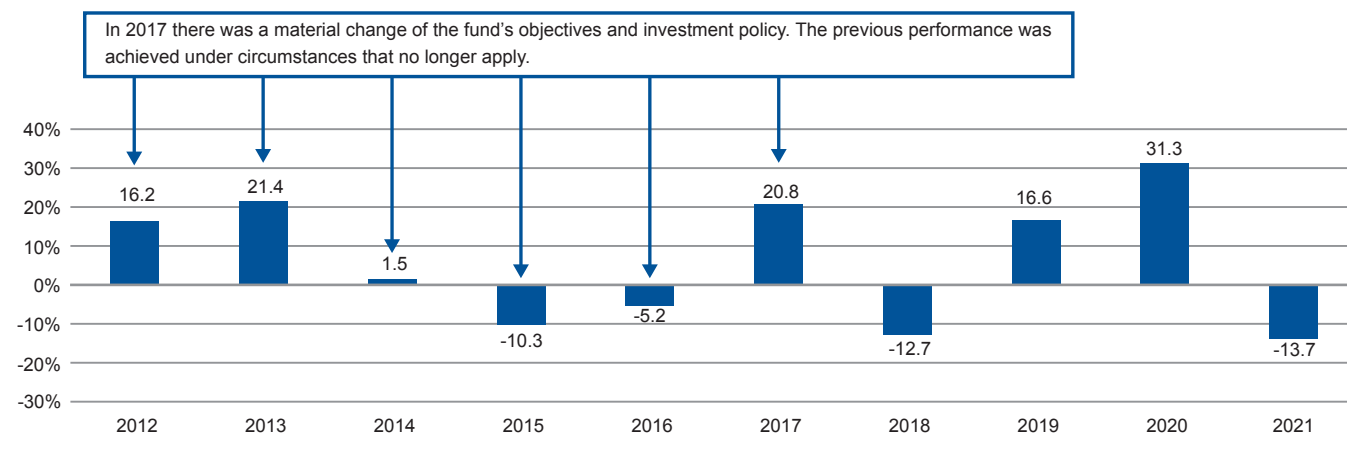
**21. Risks associated with investment made through FII regime**

- The Sub-Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in the PRC, which are subject to change and such change may have potential retrospective effect.
- The Sub-Fund may suffer substantial losses if the approval of the FII is being revoked/terminated or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund's monies, or if any of the key operators or parties (including FII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

**22. Mainland China Tax Risk**

- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of value added tax and capital gains realised via the Stock Connects or CIBM or FII program or access products on the Sub-Fund's investments in the PRC (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's value.
- Based on professional and independent tax advice, the Sub-Fund will make the following tax provisions:
  - 10% on dividend from China A-Shares and interest received from debt instruments by PRC enterprises if the withholding tax is not withheld at source.
- Any shortfall between the provision and the actual tax liabilities, which will be debited from the Sub-Fund's assets, will adversely affect the Sub-Fund's net asset value. The actual tax liabilities may be lower than the tax provision made. Depending on the timing of their subscriptions and/or redemptions, investors may be disadvantaged as a result of any shortfall of tax provision and will not have the right to claim any part of the overprovision (as the case may be).

## How has the Sub-Fund performed?



- Share Class\*: AT-USD
- In 2017, there was a material change of the fund's objectives and investment policy. The previous performance was achieved under circumstances that no longer apply.
- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much the Share Class increased or decreased in percentage during the calendar year being shown.
- Performance data has been calculated in USD including on-going charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown, there was insufficient data available in that year to provide performance.
- Sub-Fund inception date: 2009
- Share Class inception date: 2009

\*Representative share class – Retail share class that is authorized and launched in Hong Kong with the longest track record.

## Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-Fund.

Fee (for Class A/AM/AMg/AT)	What you pay
<b>Subscription Fee</b>	Up to 5% of the NAV
<b>Switching Fee (Conversion Fee)</b>	Up to 5% of the NAV (for switch-in)
<b>Redemption Fee</b>	No Redemption Fee is currently levied

### Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % p.a. of the NAV)
<b>Management Fee (All-in-Fee) (Class A/AM/AMg/AT)</b>	Current: 1.50% Maximum: 2.25%
<b>Depositary Fee</b>	The Depositary Fee is covered by All-in-Fee
<b>Performance Fee</b>	Not Applicable
<b>Administration Fee</b>	The Administration Fee is covered by All-in-Fee

## Other fees

You may have to pay other fees when dealing in the shares of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, please refer to the section headed "FEES AND CHARGES" in the Prospectus for further details.

### **Additional information**

- You generally buy and redeem shares at the Sub-Fund's next-determined net asset value (NAV) after Hong Kong Distributor/ Hong Kong Representative receives your request in good order on or before 5:00p.m. (Hong Kong time) on any Valuation Day which is also a Hong Kong Business Day.
- Intermediaries who sell this Sub-Fund may impose different dealing deadlines for receiving instructions for subscriptions, redemptions or conversions. Investors should pay attention to the arrangements of the intermediary concerned.
- The net asset value of this Sub-Fund is calculated and the price of shares published each Valuation Day. They are available online at [hk.allianzgi.com](http://hk.allianzgi.com).
- The compositions of the distributions (i.e. the relative amounts paid out of (i) net distributable income, and (ii) capital) for the last 12 months or since the launch of the Sub-Fund are available from the Hong Kong Representative on request and also on the website ([hk.allianzgi.com](http://hk.allianzgi.com)).
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the Hong Kong Representative on request and also on the website ([hk.allianzgi.com](http://hk.allianzgi.com)).

### **Important**

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.