Allianz Global Opportunistic Bond

Third-quarter update

- The Fund aims at long-term capital growth and income by investing in global bond markets.
- The Fund is exposed to significant risks of investment/general market, creditworthiness/credit rating, interest rate, default, valuation, sovereign debt, emerging markets, and currency.
- Investing in share class with fixed distribution percentage (Class AMf) is not an alternative to fixed interest paying investment. Investors should note that fixed distribution percentage is not guaranteed. The percentage of distributions paid by these share classes is unrelated to expected or past income or returns of these share classes or the Fund. Distribution will continue even the fund has negative returns and may adversely impact the net asset value of the Fund. Positive distribution yield does not imply positive return.
- The Fund may invest in high-yield (non-investment grade and unrated) investments which may subject to higher risks, such as volatility, loss of principal and interest, creditworthiness and downgrading, default, interest rate, general market and liquidity risks and therefore may increase the risk of loss of original investment.
- The Fund may invest in financial derivative instruments ("FDI") which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks. The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material.

Note: Dividend payments may, at the sole discretion of the Investment Manager, be made out of the Fund's capital or effectively out of the Fund's capital which represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. This may result in an immediate decrease in the NAV per share and the capital of the Fund available for investment in the future and capital growth may be reduced, in particular for hedged share classes for which the distribution amount and NAV of any hedged share classes (HSC) may be adversely affected by differences in the interests rates of the reference currency of the HSC and the base currency of the Fund, particularly if such HSC are applying the IRD Neutral Policy.

PERFORMANCE

Allianz Global Opportunistic Bond (the Fund) continued the 2025 year-to-date trend and delivered another stellar quarter for both total returns and returns relative to US dollar cash (measured by the SOFR Index). The total fund return for the quarter was 2.22%, which takes the year-to-date performance to 7.82%. This is equivalent to US dollar cash +1.11% for the quarter, or US dollar cash +4.48% year-to-date.

Performance update	Fund - Class AMg (USD) Dis.	Benchmark: SOFR Index	Relative
YTD to 30 Sep 2025	7.82%	3.34%	+ 4.48%
Q3 2025	2.22%	1.11%	+ 1.11%

Source: Allianz Global Investors and IDS GmbH, as at 30 September 2025. Fund performance is based on Class AMg (USD) Distribution, NAV to NAV basis in denominated currency of the respective share class with gross dividends re-invested. Benchmark performance is calculated in denominated currency of the respective share class. Fund performance information:6.41% (YTD 30 September 2025), -0.57% (2024), 4.45% (2023), -4.97% (2022), -2.45% (2021) and 6.19% (2020).Benchmark: Secured Overnight Financing Rate (SOFR). Past performance, or any prediction, projection or forecast, is not indicative of future performance.

Carl W Pappo Jr.
CIO
Core Fixed Income

KEY TAKEAWAYS

- Allianz Global Opportunistic Bond delivered strong absolute and relative performance during the third quarter.
- Our positioning was well suited to the market environment, particularly as interest rates declined and the Treasury yield curve steepened. We were positioned for this shift, having maintained an overweight to shorter-maturity bonds and an underweight to longer-term bonds.
- Our underweight exposure to the US dollar also contributed positively as the currency weakened.
- Importantly, we achieved these results without taking on significant credit risk, as we continue to see credit markets as extended and offering limited relative value.

POSITIONING & STRATEGY

Over Q3, our active rates positioning across duration and yield curve were the primary drivers of performance. In the US, there was a strong rates rally from mid-summer following weaker than expected jobs data; US 10y Treasury yields declined to our target level of 4% in September, so we took the opportunity to harvest profits on a portion of the long position.

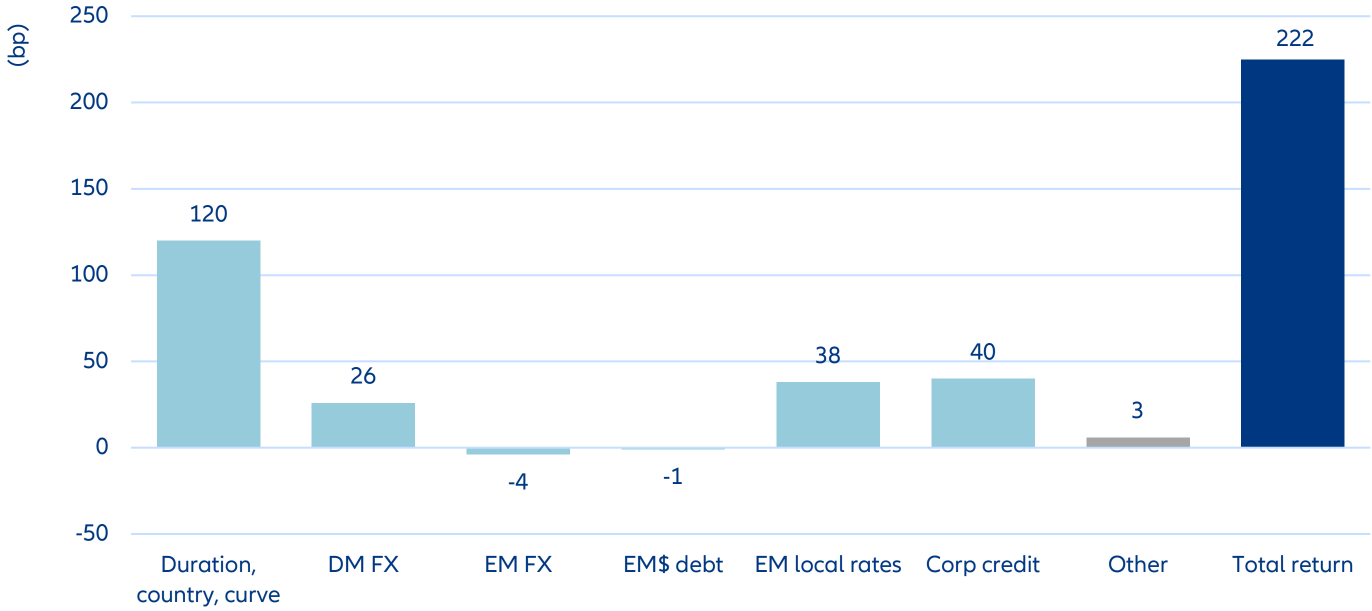
In active curve positioning, our US 7-year versus 30-year steepener also added to returns as investors continued to doubt US fiscal sustainability and the Fed's ability to conduct monetary policy in the future without political interference. We think this positioning has the potential to continue adding to fund performance.

Our underweight to the longer end of the US Treasury curve remains a key conviction, both as a direct position held via steepener positions and as relative value trades against other markets – such as Spain and the UK.

In credit markets, we continue to exercise caution. Our allocation has been modest and high quality in nature. It has been particularly pleasing to see the fund keep pace this year with more credit focused competitors in the Morningstar Global Flexible Bond peer group[1], with our investment performance driven by assets outside of credit sectors alone.

This is for guidance only and not indicative of future allocation. **1**: "Morningstar EAA Fund Global Flexible Bond – USD Hedged" peer group.

Fund performance attribution, Q3 2025

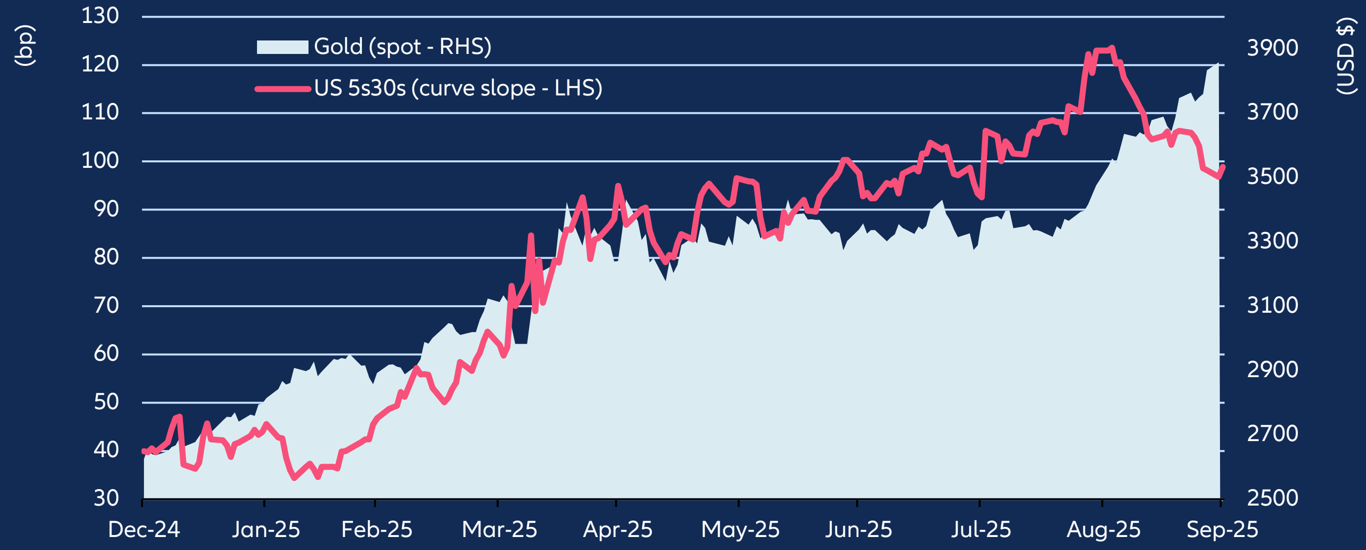


Source: AllianzGI; gross-of-fees return, closing price (AMg-USD share class) 30 June 2025 to 30 September 2025. Past performance, or any prediction, projection or forecast, is not indicative of future performance.

FISCAL CREDIBILITY CONCERNS SUPPORT A STEEPER YIELD CURVE

The recent surge in the price of gold (and other precious metals) suggests that poor fiscal outlooks in the developed world and currency debasement concerns are weighing on investors' minds. We think a period of fiscal dominance – where large government debt burdens force an easy monetary policy stance – will support a further steepening of yield curves, particularly in the US, where we remain actively positioned.

CHART OF THE QUARTER – FISCAL DOMINANCE



Source: AllianzGI; Bloomberg to 30-Sep-25. A performance of the strategy is not guaranteed and losses remain possible. This is for guidance only and not indicative of future allocation.

STRATEGY OUTLOOK

We used the rally in US rates over the summer months - with 10-year US Treasury yields falling to 4% - as an opportunity to shift to a reduced US duration stance. More recently, there have been signs of a stabilisation in US economic activity, helped by an easing in financial conditions as the Fed policy stance turned more dovish. Elsewhere, we favoured a long duration stance in New Zealand, but we have taken profits on this position early in Q4. We also favour a more tactical position on the Canadian yield curve, in addition to a tactical long in 2-year Switzerland rates. Finally, we favour exposure to EM local rates via a long exposure to Brazil and Peru.

We think the policy backdrop in the US still favours our US 7s30s yield curve steepening expression given the combination of an easier Fed policy stance and structural forces (i.e. a poor fiscal outlook). In Europe, we think constructive cyclical and structural dynamics in the peripheral Euro area markets, pressure on the UK government to maintain a tight fiscal stance and favourable bond valuations, supports our relative-value positions to be long 30-year Spanish and UK rates versus the US.

We maintain a structurally bearish view on the US dollar given ongoing concerns about large US twin deficits (fiscal + current account), potential worries about institutional credibility (such as those related to a more politicized Federal Reserve ahead), and the potential for currency re-alignment in those markets that run large bilateral trade and current account surpluses versus the US.

In investment grade credit, we retain a moderate overall credit allocation given that fundamentals and technicals still remain supportive for the asset class. The credit allocation leans into higher quality tiers, with a bias to favour senior financials and utilities versus cyclical industrials.

The information above is provided for the purpose to demonstrate the Fund's investment strategy only, it should not be considered a recommendation nor investment advice to buy or sell any shares of securities. There is no assurance that any securities discussed herein will remain in the Fund at the time you receive this document.

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