



Allianz Hong Kong Equity

- The Fund aims at long-term capital growth by investing in equity markets in Hong Kong.
- The Fund is exposed to significant risks of investment/general market, country and region, emerging market (such as Mainland China), company-specific, and RMB (such as exchange controls), and the adverse impact on RMB share classes due to currency depreciation.
- The Fund may invest in the China A-Shares market directly via the Stock Connect or other foreign access regimes and/or other permitted means and/or indirectly through all eligible instruments and thus is subject to the associated risks (including quota limitation, change in rule and regulations, repatriation of the Fund's monies, trade restrictions, China market volatility and uncertainty, potential clearing and/or settlement difficulties, change in economic, social and political policy in PRC and Mainland China tax risks).
- 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.

Why invest in Allianz Hong Kong Equity ("the Fund")?

1. Chinese ADRs "homecoming" continues

- Many US-listed Chinese companies are moving their listings to Hong Kong's stock exchange. Among these foreign listed Chinese companies, many are high-quality businesses that can benefit from China's long-term structural change.
- This may attract more attention from local investors in mainland China and Hong Kong, which will likely expand their investment base and bring in more opportunities.

2. Southbound flows into Hong Kong equity market

- A notable feature of Hong Kong equities has been the surge in the percentage of the southbound Stock Connect over the Hong Kong equity market turnover since 2015.
- Over the longer term, Hong Kong equities should continue to offer unique opportunities that are complementary to onshore China A-Shares, especially as more growth, new economy companies get listed on Hong Kong Stock Exchange. This combined with attractive valuations underpin the structural inflow from mainland investors.

Southbound Stock Connect as % of Hong Kong equity market turnover

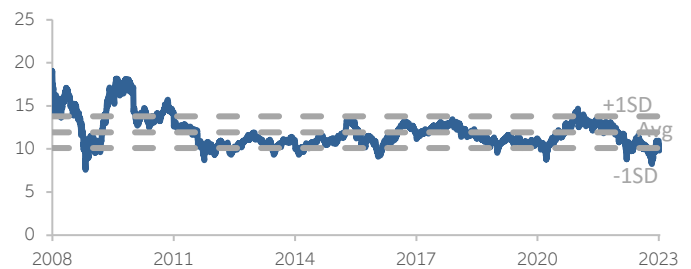


Source: Wind, Allianz Global Investors as at 30 June 2023. Turnover is calculated based on 30 day moving average number.

3. Valuations stay reasonable

- The Hang Seng Index constituents revamped in mid-2021 effectively changed the benchmark into a more 'new economy', growth-oriented index, thus boosting the long-term growth potential of this flagship index.
- Valuations of Hang Seng Index are at reasonable levels after recent correction.

Hang Seng Index 12 months forward P/E

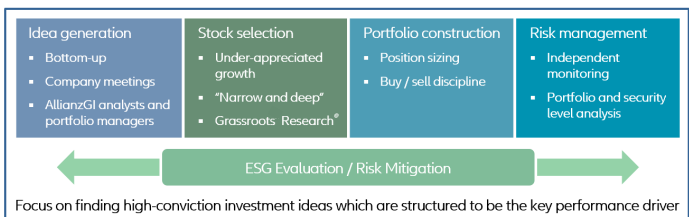


Source: Bloomberg, Allianz Global Investors, as at 11 January 2023. The average valuation is calculated over the period of past 15 years. Investment involves risks. Past performance is not indicative of future results. Individual performance will vary.

4. Focused portfolio of 40 – 60 conviction ideas

- We look to invest in our best investment ideas with a focus on long-term growth prospects not fully priced into market valuations.
- We continue to favour areas where we see sustained growth potential, including:
 - Policy stimulus beneficiaries – Infrastructure investment in public utilities and energy storage eg. power grids
 - Consumption recovery – Consumption recovery post Covid-19, benefitting domestic tourism and local brands
 - Technology self sufficiency – The 5-year plan is a sign of future capex – 5G, semiconductors, high end manufacturing, etc.
 - Urbanization Beneficiaries – Rising demand for smart city, logistics, waste treatment, renewable energy, electric vehicles, etc.

Investment Process



40 – 60 stock portfolio

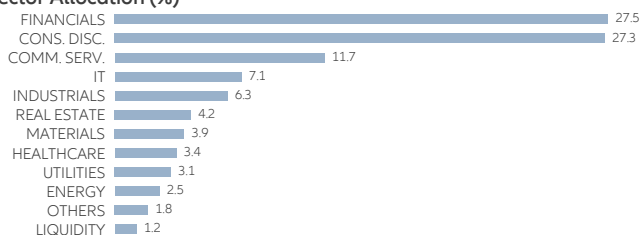
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Source: Allianz Global Investors. There is no guarantee that these investment strategies and processes will be effective under all market conditions and investors should evaluate their ability to invest for a long-term based on their individual risk profile especially during periods of downturn in the market.

^ The Capital Investment Entrant Scheme (CIES) has been suspended with effect from 15 January 2015 until further notice. For details, please visit the Immigration Department website, www.immd.gov.hk and/or check with the independent professional advice.

Fund Highlights

Sector Allocation (%)



Top 10 Holdings

	Sector	%
TENCENT HOLDINGS LTD	COMM. SERV.	9.2
ALIBABA GROUP HOLDING LIMITED	CONS. DISC.	8.4
MEITUAN-CLASS B	CONS. DISC.	7.5
HSBC HOLDINGS PLC	FINANCIALS	6.6
AIA GROUP LTD	FINANCIALS	4.5
HONG KONG EXCHANGES & CLEAR	FINANCIALS	4.2
CHINA CONSTRUCTION BANK-H	FINANCIALS	4.2
XIAOMI CORP-CLASS B	IT	3.2
TRIP.COM GROUP LTD	CONS. DISC.	3.1
CHINA MERCHANTS BANK-H	FINANCIALS	2.8
Total		53.7

Fund Details

Share Class	Class A (USD) Dis.	Class A (HKD) Dis.	Class AT (HKD) Acc.
Benchmark ¹	FTSE MPF Hong Kong Index Total Return Net		
Fund Manager	Christina Chung		
Fund Size ²	HKD 1,295.20m		
Number of Holdings	65		
Sustainability-related Disclosure Regulation ³	Article 6		
Base Currency	HKD		
Subs. Fee (Sales Charge)	Up to 5%		
Mgmt. Fee (All-in-Fee ⁴)	2.05% p.a.	2.05% p.a.	2.05% p.a.
Total Expense Ratio ⁵	2.11%	2.11%	2.11%
Unit NAV	USD 204.1186	HKD 8.9299	HKD 9.9073
Inception Date ⁶	12/07/1985	04/10/2010	17/06/2011
Dividend Frequency ⁷	Annually	Annually	N/A
ISIN Code	LU0348735423	LU0540923850	LU0634319403
Bloomberg Ticker	THONHKI LX	THONHAH LX	THONATH LX

Source: All fund data quoted are Allianz Global Investors/IDS GmbH/Morningstar, as at 30/11/2024, unless stated otherwise.

On 09/12/2005, the assets of Dresdner RCM New Tiger Selections – Hong Kong were transferred to Allianz Global Investors Selections RCM Hong Kong Fund ("Allianz GIS RCM Hong Kong Fund").

On 03/10/2008, the assets of Allianz GIS RCM Hong Kong Fund were merged into Allianz Global Investors Fund - Allianz Hong Kong Equity (formerly named: Allianz Hong Kong).

- 1) With effect from 29 December 2022, the benchmark of the Fund has been changed to FTSE MPF Hong Kong Index Total Return Net to better reflect the investable universe of the Fund. Prior to that date, the Benchmark was Hang Seng Index Total Return.
- 2) The Fund Size quoted includes all share classes of the Fund.
- 3) EU Sustainability-related Disclosure Regulation. Information is accurate at time of publishing.
- 4) The All-in-Fee includes the expenses previously called management and administration fees.
- 5) Total Expense Ratio (TER): Total cost (except transaction costs) charged to the Fund during the last financial year (as at 30/09/2023) expressed as a ratio of the Fund's average NAV. For share classes that have been incepted for less than one year as at close of the last financial year (please refer to the Inception Date in the Fund Details table), the TER will be annualised. For share classes incepted after the close of the last financial year, the TER will be reflected as N/A.
- 6) Inception Date means the very first date when the Fund commenced its operations (irrespective of any dates of restructuring/merging of assets thereafter).
- 7) Dividend payments are applicable for Class A Dis (annual distribution) and for reference only. Yields are not guaranteed, dividend may be paid out from capital (Class A). This may result in an immediate decrease in the NAV per share and may reduce the capital available for the Fund for future investment and capital growth. Positive distribution yield does not imply positive return.

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Investment involves risks, in particular, risks associated with investment in emerging and less developed markets. Past performance is not indicative of future performance.

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