Letter to shareholders in the Allianz US Equity Fund

22 March 2019

Dear Shareholders,

We are disappointed to announce that the Extraordinary Resolution to reposition the Allianz US Equity Fund into the Allianz US Micro Cap Equity Fund did not pass at the Extraordinary General Meeting of 22nd March 2019 at 12.00.

<u>In total there were 58.6% of votes cast in favour (75% required to pass) of the Proposal versus 41.4% against.</u>

Of the direct retail investors who voted just under 95% of the votes cast were in favour versus just over 5% against.

The US Micro Cap strategy is one of our top performing US equity strategies with over 20 years track record for US based investors. The head of that team has been the lead portfolio manager since the inception of the US Micro Cap strategy in July 1998 and has a proven track record in long term outperformance versus the Russell Microcap Growth Index. See below.

Fund/Benchmark	Three years to 28/02/2019 Return (Cumulative)	Five Years to 28/02/2019 Return (Cumulative)	26/10/2009* 28/02/2019 Return (Cumulative)
AllianzGI Micro Cap Institutional	**61.29**	**67.64**	**289.20**
Russell Micro Cap Growth TR USD	54.98	47.45	229.29
Allianz US Equity C Acc	54.23	100.02	218.93
Allianz US Equity A Acc	54.17	99.50	217.23

Source Morningstar. All returns in GBP. *Allianz US Equity Fund SC A launch date 26/10/2009. The AllianzGI Micro Cap Institutional Fund is a US domiciled mutual fund run by Allianz Global Investors U.S. LLC with comparable management fees, however, for fair comparison we have used gross of fee figures.

We have therefore decided to make alternative arrangements in order to bring this fund to market. We thank you for your continued investment in our fund range and we will be in contact with you in the next few months regarding your investment in the Allianz US Equity Fund.

If you require any further information regarding your investment with us, please contact us on tel: 0800 073 2001.

Yours faithfully

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Authorised Signatory

Allianz Global Investors GmbH (acting by its UK branch)