

PIMCO Fixed Income Source ETFs plc

Annual Report and Audited Financial Statements

For the financial year ended 31 March 2019

Report for investors in Switzerland

Please note that the Independent Auditor's report is in relation to PIMCO Fixed Income Source ETFs plc (the "Company"). As noted within, this is an extract annual report which solely contains 2 out of the total 9 sub-funds, therefore in case of any interpretation of information, positions or opinions, the original full Company version prevails over this extract version.

THIS IS AN EXTRACT ANNUAL REPORT FOR INVESTORS IN SWITZERLAND ONLY. IT SOLELY CONTAINS THE FUNDS WHICH ARE NOT APPROVED FOR DISTRIBUTION TO NON-QUALIFIED INVESTORS IN OR FROM SWITZERLAND (THE "FUNDS"). THIS ANNUAL REPORT FOR SWITZERLAND IS EXCLUSIVELY USED FOR THE OFFER AND DISTRIBUTION OF SHARES OF THE FUNDS IN OR FROM SWITZERLAND. IT IS NOT PERMITTED TO BE USED FOR THE OFFER AND DISTRIBUTION OF SHARES OF THE COMPANY IN OTHER JURISDICTIONS OR TERRITORIES.

THE DISTRIBUTION OF SHARES OF THE FUNDS IN SWITZERLAND WILL BE EXCLUSIVELY MADE TO, AND DIRECTED AT, QUALIFIED INVESTORS (THE "QUALIFIED INVESTORS"), AS DEFINED IN THE SWISS COLLECTIVE INVESTMENT SCHEMES ACT OF 23 JUNE 2006, AS AMENDED ("CISA"), AND ITS IMPLEMENTING ORDINANCE. ACCORDINGLY, THE FUNDS HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY ("FINMA"). THIS REPORT MAY BE MADE AVAILABLE IN SWITZERLAND SOLELY TO QUALIFIED INVESTORS.

PIMCO Fixed Income Source ETFs plc

General Characteristics

Fund Type:
UCITS

Number of Funds offered in the Company:
9 Funds

Classes of Shares offered in the Company*:

CHF (Hedged) Accumulation
EUR Accumulation
EUR Income
EUR (Hedged) Accumulation
EUR (Hedged) Income
GBP Income
GBP (Hedged) Income
USD Accumulation
USD Income

*Each Fund does not offer all of the Classes of Shares listed.

Types of Shares:

Within each Class of each Fund, subject to the relevant Supplement to the Prospectus (the "Supplement"), the Company may issue either or both Income Shares (Shares which distribute income) and Accumulation Shares (Shares which accumulate income).

Net Assets (Amounts in thousands):
EUR 7,068,034

Minimum Subscription:

The PIMCO Covered Bond Source UCITS ETF requires each investor to subscribe a minimum of EUR 1,000,000 or one Primary Share.

The PIMCO Sterling Short Maturity Source UCITS ETF requires each investor to subscribe a minimum of GBP 1,000,000 or one Primary Share.

The Directors reserve the right to differentiate between Shareholders as to the Minimum Initial Subscription amount and waive or reduce the Minimum Initial Subscription and Minimum Transaction Size for certain investors.

Dealing Day:

Dealing day for the PIMCO Sterling Short Maturity Source UCITS ETF is any day on which banks in London are open for business. Dealing day for the PIMCO Covered Bond Source UCITS ETF is any day on which the Deutsche Börse AG and banks in London are open for business. Notwithstanding the foregoing, it will not be a Dealing Day for the Funds where either as a result of public holidays or market/stock exchange closures in any jurisdiction, it makes it difficult (i) to administer the Fund or (ii) value a proportion of a Fund's assets. The Funds will be closed on 01 January and 24, 25, 26 December each year.

Dealing day for each Fund may also be such other days as may be specified by the Company and notified to Shareholders in advance provided there shall be one Dealing Day per fortnight.

Funds' Functional Currency:

The functional currency of the PIMCO Covered Bond Source UCITS ETF is EUR (€) and the functional currency of the PIMCO Sterling Short Maturity Source UCITS ETF is GBP (£).

Co-Promoters:

PIMCO Europe Ltd. and Invesco UK Services Limited act as co-promoters of the Company. Invesco UK Services Limited is registered as a limited Company in England and Wales. Both PIMCO Europe Ltd. and Invesco UK Services Limited are authorised and regulated by the UK Financial Conduct Authority.

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Fund	Fund Summary	Schedule of Investments
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The Prospectus, supplements to the Prospectus, Key Investor Information Documents ("KIIDs"), Memorandum & Articles of Association, annual and semi-annual reports and a copy of the list of changes in the portfolio during the year ended 31 March 2019 are available free of charge from the Swiss Representative.

In respect of the Shares of the Funds distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative.

This annual report and audited financial statements (the "Annual Report") may be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Annual Report. To the extent that there is any inconsistency between the English language Annual Report and the Annual Report in another language, the English language Annual Report will prevail, except to the extent (and only to the extent) that it is required by law of any jurisdiction where the shares are sold, that in an action based upon disclosure in a Annual Report in a language other than English, the language of the Annual Report on which such action is based shall prevail. Any disputes as to the terms of the Annual Report, regardless of the language of the Annual Report, shall be governed by and construed in accordance with the laws of Ireland.

PIMCO Fixed Income Source ETFs plc

Chairman's Letter

Dear Shareholder,

Following this letter is the PIMCO Fixed Income Source ETFs plc Annual Report, which covers the 12-month reporting period ended 31 March 2019. On the subsequent pages you will find specific details regarding investment results and discussion of the factors that most affected performance during the reporting period.

For the 12-month reporting period ended 31 March 2019

The global economy continued to expand, but the pace moderated. According to the International Monetary Fund ("IMF"), global growth for 2018 was at 3.6%. Meanwhile, US gross domestic product ("GDP") grew 2.9% in 2018. According to the Commerce Department's initial reading – released after the reporting period ended – first-quarter 2019 GDP grew at an annual pace of 3.2%. Elsewhere, the IMF said 2018 GDP growth in the eurozone, UK and Japan was 1.8%, 1.4% and 0.8%, respectively.

Against this backdrop, the European Central Bank (the "ECB") and the Bank of Japan largely maintained their highly accommodative monetary policies. The ECB ended its quantitative easing program in December 2018, but recently indicated that it does not expect to raise interest rates, "at least through the end of 2019." Meanwhile, other central banks took a more hawkish stance. The Bank of England raised rates at its meeting in August 2018, and the Bank of Canada raised rates twice during the reporting period.

The Federal Reserve (the "Fed") continued to normalise monetary policy. After raising interest rates in March and June, the Fed again moved rates higher at its September and December 2018 meetings. The Fed's December rate hike pushed the federal funds rate to a range between 2.25% and 2.50%. In addition, the Fed continued to reduce its balance sheet. However, at its meeting in January 2019, the Fed tapered its expectations for the pace of rate hikes in 2019. Then, at its meeting in March 2019, the Fed indicated that it did not feel that additional rate hikes would be needed in 2019 and the winding down of its balance sheet would be completed by September 2019.

The US Treasury yield curve flattened as two-year Treasury rates were flat overall, whereas their longer-term counterparts moved lower. In our view, the decrease in longer-term rates was partially due to signs of moderating global growth and more accommodative central banks. The yield on the benchmark 10-year US Treasury note was 2.41% at the end of the reporting period, versus 2.74% on 31 March 2018. The Bloomberg Barclays Global Treasury Index (USD hedged), which tracks fixed-rate, local-currency government debt of investment grade countries, including both developed and emerging markets, returned 4.90%. Meanwhile, the Bloomberg Barclays Global Aggregate Credit Index (USD hedged), a widely used index of global investment grade credit bonds, returned 5.16%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, generated mixed results. The ICE BofAML Developed Markets High Yield Constrained Index (USD hedged) returned 5.69%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD hedged), returned 3.52%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned -7.58%.

Global equities also produced mixed results. Despite periods of volatility, US equities generated strong results. We believe this rally was driven by a number of factors, including corporate profits that often exceeded expectations and a more accommodative Fed. All told, US equities, as represented by the S&P 500 Index, returned 9.50%. Emerging market equities, as measured by the MSCI Emerging Markets Index, returned -7.41%, whereas global equities, as represented by the MSCI World Index, returned 4.01%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 0.74% and European equities, as represented by the MSCI Europe Index (in EUR), returned 5.45%.

Commodity prices fluctuated and largely moved lower. When the reporting period began, Brent crude oil was approximately \$70 a barrel, but by the end, it was roughly \$68 a barrel. This was driven in part by increased supply and declining global demand. Elsewhere, gold and copper prices also declined.

Finally, there were periods of volatility in the foreign exchange markets, due in part to signs of decoupling economic growth and central bank policies, along with a number of geopolitical events. The US Dollar strengthened against other major currencies. For example, the US Dollar returned 8.97%, 6.99% and 4.13% versus the Euro, British Pound and Japanese Yen, respectively.

Thank you for the trust you have placed in PIMCO. We are privileged to serve you through our global ETF offerings. You can expect from our ETF products PIMCO's continued commitment to excellence in managing risk and delivering returns. If you have questions regarding the PIMCO Fixed Income Source ETFs plc, please contact the London office at +44 (0) 20 3640 1000, or for fund operation questions, the Administrator at +353 (0)1 776 9990. We also invite you to visit sourceetf.com for additional information.

Sincerely,



Craig A. Dawson
Chairman

Past performance is no guarantee of future results. Unless otherwise noted, index returns reflect the reinvestment of income distributions and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an unmanaged index.

PIMCO Fixed Income Source ETFs plc

Important Information About the Funds

This material is authorised for use only when preceded or accompanied by the current PIMCO Fixed Income Source ETFs plc Prospectus. Investors should consider the investment objectives, risks, charges and expenses of each Fund carefully before investing. This and other information is contained in each Fund's Prospectus Supplement. Please read the Prospectus carefully before you invest or send money.

The PIMCO Covered Bond Source UCITS ETF and the PIMCO Sterling Short Maturity Source UCITS ETF are actively managed ETFs that do not seek to track the performance of a specified index (collectively, the "Active Funds" and together with the Passive Funds, the "Funds"). PIMCO Sterling Short Maturity Source UCITS ETF are listed on the Irish Stock Exchange trading as Euronext Dublin ("Euronext") and traded on the London Stock Exchange. Shares of the PIMCO Covered Bond Source UCITS ETF are listed and traded at market prices on the Deutsche Börse AG. The Funds are also listed and traded on other secondary markets. The market price for each Fund's shares may be different from the Fund's net asset value ("NAV"). Each Fund issues and redeems shares at its NAV only in blocks of a specified number of shares ("Primary Shares"). Only certain large institutional investors may purchase or redeem Primary Shares directly with the Funds at NAV ("Authorised Participants"). Secondary market investors may redeem shares directly in circumstances where the stock exchange value of the shares significantly varies from its NAV. These transactions are in exchange for certain securities similar to a Fund's portfolio and/or cash.

The Funds invest in particular segments of the securities markets, which are not representative of the broader securities markets. While we believe that bond Funds have an important role to play in a well-diversified investment portfolio, an investment in a Fund alone should not constitute an entire investment program. It is important to note that in an environment where interest rates may trend upward, rising rates would negatively impact the performance of most bond Funds, and fixed income securities held by the Funds are likely to decrease in value. The price volatility of fixed income securities can also increase during periods of rising interest rates resulting in increased losses to the Funds. Bond Funds and individual bonds with a longer duration (a measure of the expected life of a security) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations.

The Funds may be subject to various risks in addition to those described above. Some of these risks may include, but are not limited to, the following: secondary market trading risk, interest rate risk, credit risk, market risk, liquidity risk, derivatives risk, leveraging risk, issuer risk, mortgage-related and other asset backed risk, foreign investment risk, emerging markets risk and management risk. A complete description of these and other risks is contained in the Prospectus of the Company. The Funds may use financial derivative instruments for hedging purposes or as part of an investment strategy. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a Fund could not close out a position when it would be most advantageous to do so. A Fund could lose more than the principal amount invested in these financial derivative instruments. The credit quality of a particular security or group of securities does not ensure the stability or safety of the overall portfolio.

On each individual Fund Summary page in this annual report, the net performance chart measures performance assuming that all dividend and capital gain distributions were reinvested. Returns do not reflect the deduction of taxes that a shareholder would pay on: (i) Fund distributions; or (ii) the redemption of Fund shares. The net performance chart measures each Fund's performance against the performance of a broad-based securities market index (benchmark index). Each Fund's past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. An investment in a Fund is not a deposit of a bank and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Funds.

The Funds may make available a complete schedule of portfolio holdings and the percentages they represent of the Funds' net assets. On each Business Day, before commencement of trading on Relevant Stock Exchanges (as defined in the Prospectus), each Fund will disclose on www.sourceetf.com the identities and quantities of the Fund's portfolio holdings that will form the basis for the Fund's calculation of NAV in respect of the previous Dealing Day. Fund fact sheets provide additional information regarding a Fund and may be requested by calling +44 (0) 20 3640 1000.

PIMCO Covered Bond Source UCITS ETF

Total Return Net of Fees and Expenses for the Period ended 31 March 2019¹

	1 Year	Class Inception
Classes denominated in EUR		
EUR Income (Inception 17-Dec-2013)	1.59%	2.87%
Bloomberg Barclays Euro Aggregate Covered 3% Cap	1.87%	2.31%

¹ Annualised return net of fees and expenses for share classes incepted over a year ago.

Investment Objective and Strategic Overview

The investment objective of the Fund is to seek to maximise total return, consistent with prudent investment management. The Fund will seek to achieve its investment objective by investing in an actively managed portfolio of Fixed Income Securities (as defined in the Prospectus) of which at least 80% will be invested in covered bonds in accordance with the policies set out in the Fund's Prospectus. Covered bonds are securities issued by a financial institution and backed by a group of loans residing on the balance sheet of the financial institution known as the "cover pool".

Fund Insights

The following affected performance during the reporting period:

- » Overweight exposure to US duration contributed to relative performance, as the position benefited from curve positioning.
- » Overweight exposure to Swedish and Danish duration contributed to relative performance, as yields fell.
- » Overweight exposure to covered bonds contributed to relative performance, as the position benefited from carry and security selection.
- » Underweight exposure to German duration detracted from relative performance, as yields fell.
- » Underweight exposure to Japanese duration detracted from relative performance as yields fell.

PIMCO Sterling Short Maturity Source UCITS ETF

Total Return Net of Fees and Expenses for the Period ended 31 March 2019¹

	1 Year	Class Inception
Classes denominated in GBP		
GBP Income (Inception 10-Jun-2011)	0.86%	0.79%
ICE BofAML Sterling Govt Bill Index	0.63%	0.54%

¹ Annualised return net of fees and expenses for share classes incepted over a year ago.

Investment Objective and Strategic Overview

The investment objective of the Fund is to seek to generate maximum current income, consistent with preservation of capital and daily liquidity. The Fund will invest primarily in an actively managed diversified portfolio of UK Sterling-denominated Fixed Income Securities (as defined in the Prospectus) of varying maturities including government bonds and securities issued or guaranteed by governments, their subdivisions, agencies or instrumentalities, corporate debt securities and unleveraged mortgage or other asset-backed securities. The Fund may seek to obtain market exposure to the securities in which it primarily invests by entering into a series of purchase and sale contracts or by using other investment techniques (such as buy backs). The Fund may invest without limit in mortgage or other asset-backed securities. The Fund's weighted average maturity is not expected to exceed 3 years. The average portfolio duration of the Fund will be up to one year based on the Investment Adviser's forecast for interest rates. The Fund invests only in investment grade securities that are rated at least Baa3 by Moody's or BBB- by S&P or equivalently rated by Fitch (or, if unrated, determined by the Investment Adviser to be of comparable quality). The Fund may invest up to a maximum of 5% of its assets in emerging market Fixed Income Securities.

Fund Insights

The following affected performance during the reporting period:

- » Exposure to the UK cash rate contributed to absolute performance.
- » Exposure to UK duration contributed to absolute performance.
- » Exposure to Investment Grade credit contributed to absolute performance.

PIMCO Fixed Income Source ETFs plc

Benchmark Descriptions

[Bloomberg Barclays Euro Aggregate Covered 3% Cap](#)

The Bloomberg Barclays Euro Aggregate Covered 3% Cap Index tracks the performance of euro-denominated covered bonds. Inclusion is based on the currency denomination of the issue and not the domicile of the issuer. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch), at least one year remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of EUR 300 million. Index constituents are capitalisation-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 3%. It is not possible to invest directly in an unmanaged index.

[ICE BofAML Sterling Govt Bill Index](#)

The ICE BofAML Sterling Govt Bill Index tracks the performance of GBP denominated sovereign bills publicly issued by the UK Government in the UK domestic market.

PIMCO Fixed Income Source ETFs plc

Statement of Assets and Liabilities

(Amounts in thousands)

	PIMCO Covered Bond Source UCITS ETF		PIMCO Sterling Short Maturity Source UCITS ETF	
	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018
Current Assets:				
Financial Assets at fair value through profit or loss:				
Transferable securities	€ 95,396	€ 171,611	£ 223,900	£ 284,756
Deposits with credit institutions	0	0	0	0
Financial derivative instruments	549	1,911	961	2,260
Cash and cash equivalents	0	789	635	754
Deposits with counterparty	1,172	1,508	0	0
Income receivable	510	1,305	1,373	2,024
Receivables for investments sold	7,372	24,223	0	295
Receivables for TBA investments sold	0	0	0	0
Receivables for Fund shares sold	0	0	0	2,137
Receivables for financial derivatives margin	236	41	0	0
Total Current Assets	105,235	201,388	226,869	292,226
Current Liabilities:				
Financial Liabilities at fair value through profit or loss:				
Financial derivative instruments	(1,310)	(1,726)	0	(349)
Payable for investments purchased	(3,259)	(27,692)	(3,945)	0
Payable for TBA investments purchased	0	0	0	0
Payable for Fund shares redeemed	0	(771)	(3,570)	(2,137)
Payable for management fee	(35)	(59)	(66)	(87)
Payable for reverse repurchase agreements	0	0	0	0
Payable for sale-buyback financing transactions	0	0	0	0
Capital gains tax payable	0	0	0	0
Expenses payable	0	0	0	(1)
Bank overdraft	(119)	0	0	0
Payable for financial derivatives margin	0	0	0	0
Deposits from counterparty	0	(521)	(1,451)	(2,532)
Other liabilities	0	0	0	0
Total Current Liabilities excluding Net Assets Attributable to Redeemable Participating Shareholders	(4,723)	(30,769)	(9,032)	(5,106)
Net Assets Attributable to Redeemable Participating Shareholders	€ 100,512	€ 170,619	£ 217,837	£ 287,120

A zero balance may reflect actual amounts rounding to less than one thousand.

PIMCO Fixed Income Source ETFs plc

Statement of Operations

(Amounts in thousands)

	PIMCO Covered Bond Source UCITS ETF		PIMCO Sterling Short Maturity Source UCITS ETF	
	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Income				
Interest and dividend income	€ 1,823	€ 1,788	£ 2,721	£ 1,426
Other income	1	0	0	0
Net realised gain/(loss) on transferable securities and deposits with credit institutions	1,871	(1,649)	168	644
Net realised gain/(loss) on financial derivative instruments	(2,825)	4,485	18	2,007
Net realised gain/(loss) on foreign currency	47	86	894	107
Net change in unrealised appreciation/(depreciation) on transferable securities and deposits with credit institutions	1,812	(724)	177	(5,563)
Net change in unrealised appreciation/(depreciation) on financial derivative instruments	(945)	(24)	(950)	2,809
Net change in unrealised appreciation/(depreciation) on foreign currency	(8)	(6)	4	(66)
Total Investment Income/(Loss)	1,776	3,956	3,032	1,364
Operating Expenses				
Management fee	(467)	(613)	(971)	(734)
Other expenses	(1)	(2)	(2)	(2)
Total Expenses	(468)	(615)	(973)	(736)
Net Investment Income/(Loss)	1,308	3,341	2,059	628
Finance Costs				
Interest expense	(20)	(11)	(2)	(4)
Distributions to Redeemable Participating Shareholders	(1,126)	(1,354)	(1,655)	(708)
Net Equalisation Credits and (Charges)	(355)	269	(18)	21
Total Finance Costs	(1,501)	(1,096)	(1,675)	(691)
Profit/(Loss) for the Year before Tax	(193)	2,245	384	(63)
Withholding taxes on dividends and other investment income	0	0	(1)	0
Capital gains tax	0	0	0	0
Profit/(Loss) for the Year after Tax	(193)	2,245	383	(63)
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Shareholders from operations	€ (193)	€ 2,245	£ 383	£ (63)

A zero balance may reflect actual amounts rounding to less than one thousand.

PIMCO Fixed Income Source ETFs plc

Statement of Changes in Net Assets

(Amounts in thousands)

	PIMCO Covered Bond Source UCITS ETF		PIMCO Sterling Short Maturity Source UCITS ETF	
	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Net Assets at the Beginning of the Year	€ 170,619	€ 212,827	£ 287,120	£ 190,318
Proceeds from shares issued and offsets	50,872	62,662	385,761	449,442
Payments on shares redeemed	(120,786)	(107,115)	(455,427)	(352,577)
Notional exchange rate adjustment	0	0	0	0
Increase/(Decrease) in Net Assets Attributable to Redeemable Participating Shareholders from operations	(193)	2,245	383	(63)
Net Assets at the End of the Year	€ 100,512	€ 170,619	£ 217,837	£ 287,120

A zero balance may reflect actual amounts rounding to less than one thousand.

DESCRIPTION	PAR (0005)	FAIR VALUE (0005)	% OF NET ASSETS	DESCRIPTION	PAR (0005)	FAIR VALUE (0005)	% OF NET ASSETS	DESCRIPTION	FAIR VALUE (0005)	% OF NET ASSETS	
TRANSFERABLE SECURITIES & MONEY MARKET INSTRUMENTS - OFFICIAL STOCK EXCHANGE/REGULATED MARKET				LUXEMBOURG				SHORT-TERM INSTRUMENTS			
AUSTRALIA				CORPORATE BONDS & NOTES				REPURCHASE AGREEMENTS (b)			
CORPORATE BONDS & NOTES				CPI Property Group S.A. 4.750% due 08/03/2023 \$ 800 € 718 0.71				€ 77 0.08			
Commonwealth Bank of Australia 0.875% due 19/02/2029 € 1,500 € 1,526 1.52				NORD/LB Luxembourg S.A. Covered Bond Bank 2.875% due 16/02/2021 3,800 3,393 3.38				Total Short-Term Instruments 77 0.08			
Westpac Banking Corp. 3.150% due 16/01/2024 \$ 5,100 4,625 4.60				Total Luxembourg 4,111 4.09				Total Transferable Securities & Money Market Instruments - Official Stock Exchange/Regulated Market € 95,396 94.91			
Total Australia 6,151 6.12				NETHERLANDS							
DENMARK				CORPORATE BONDS & NOTES							
CORPORATE BONDS & NOTES				ING Bank NV 2.625% due 05/12/2022 3,600 3,209 3.19							
DLR Kredit A/S 2.000% due 01/10/2050 DKK 33,100 4,545 4.52				Mylan NV 2.250% due 22/11/2024 € 900 919 0.92							
Jyske Realkredit A/S 1.500% due 01/10/2037 3,000 416 0.41				Total Netherlands 4,128 4.11							
1.500% due 01/10/2050 15,000 2,019 2.01				NORWAY							
2.000% due 01/10/2047 3,417 476 0.47				CORPORATE BONDS & NOTES							
2.000% due 01/10/2050 4,000 550 0.55				DNB Boligkreditt A/S 2.500% due 28/03/2022 \$ 1,400 1,244 1.24							
Nordea Kredit Realkreditaktieselskab 2.000% due 01/10/2047 836 116 0.11				POLAND							
2.000% due 01/10/2050 30,997 4,271 4.25				CORPORATE BONDS & NOTES							
Nykkredit Realkredit A/S 1.500% due 01/10/2050 32,000 4,310 4.29				PKO Bank Hipoteczny S.A. 0.750% due 24/01/2024 € 3,500 3,558 3.54							
Realkredit Danmark A/S 1.500% due 01/10/2050 13,100 1,758 1.75				PORTUGAL							
2.000% due 01/10/2047 5,400 753 0.75				CORPORATE BONDS & NOTES							
Total Denmark 19,214 19.11				Caixa Economica Montepio Geral 0.875% due 17/10/2022 2,300 2,340 2.33							
GERMANY				SOUTH KOREA							
CORPORATE BONDS & NOTES				SOVEREIGN ISSUES							
Deutsche Pfandbriefbank AG 1.250% due 20/04/2035 € 3,300 3,438 3.42				Korea Housing Finance Corp. 0.750% due 30/10/2023 3,200 3,263 3.24							
3.375% due 22/11/2021 \$ 1,200 1,086 1.08				SPAIN							
Kreditanstalt fuer Wiederaufbau 0.000% due 15/09/2023 (a) € 3,000 3,031 3.02				CORPORATE BONDS & NOTES							
Volkswagen Bank GmbH 1.250% due 01/08/2022 2,000 2,032 2.02				Cajamar Caja Rural SCC 0.875% due 18/06/2023 700 718 0.71							
9,587 9.54				Deutsche Bank S.A. Espanola 0.875% due 16/01/2025 4,400 4,524 4.50							
SOVEREIGN ISSUES				Total Spain 5,242 5.21							
State of North Rhine-Westphalia 1.750% due 11/07/2068 1,400 1,501 1.49				SWEDEN							
Total Germany 11,088 11.03				CORPORATE BONDS & NOTES							
GREECE				Lansforsakringar Hypotek AB 1.250% due 17/09/2025 SEK 30,000 2,955 2.94							
CORPORATE BONDS & NOTES				Sagax AB 2.250% due 13/03/2025 € 1,100 1,116 1.11							
National Bank of Greece S.A. 2.750% due 19/10/2050 1,000 1,031 1.03				Stadshypotek AB 2.000% due 01/09/2028 SEK 45,000 4,616 4.59							
IRELAND				Sveriges Sakerstallda Obligationer AB 2.000% due 17/06/2026 44,000 4,517 4.50							
CORPORATE BONDS & NOTES				Total Sweden 13,204 13.14							
SumitG Guaranteed Secured Obligation Issuer DAC 2.251% due 02/11/2020 \$ 900 792 0.79				UNITED KINGDOM							
ITALY				CORPORATE BONDS & NOTES							
CORPORATE BONDS & NOTES				Co-Operative Bank PLC 4.750% due 11/11/2021 £ 1,500 1,855 1.85							
Banca Carige SpA 1.250% due 28/01/2021 € 900 904 0.90				National Westminster Bank PLC 1.321% due 22/03/2023 3,100 3,607 3.59							
Banca Monte dei Paschi di Siena SpA 2.000% due 29/01/2024 4,300 4,391 4.37				Virgin Money PLC 1.422% due 22/03/2024 2,000 2,325 2.31							
5,295 5.27				Total United Kingdom 7,787 7.75							
SOVEREIGN ISSUES				UNITED STATES							
Italy Buoni Poliennali Del Tesoro 2.700% due 01/03/2047 2,100 1,864 1.85				CORPORATE BONDS & NOTES							
Total Italy 7,159 7.12				Kraft Heinz Foods Co. 2.000% due 30/06/2023 € 900 941 0.94							
JAPAN											
CORPORATE BONDS & NOTES											
Sumitomo Mitsui Banking Corp. 0.550% due 06/11/2023 4,000 4,066 4.04											

FINANCIAL DERIVATIVE INSTRUMENTS DEALT IN ON A REGULATED MARKET (amounts in thousands*, except number of contracts)

*A zero balance may reflect actual amounts rounding to less than one thousand.

FUTURES

Description	Type	Expiration Month	# of Contracts	Unrealised Appreciation/ (Depreciation)	% of Net Assets
Call Options Strike @ EUR 165.000 on Euro-Bund 10-Year Bond June 2019 Futures	Short	05/2019	39	€ (50)	(0.05)
Euro-BTP Italy Government Bond June Futures	Short	06/2019	103	(45)	(0.04)
Euro-Bund 10-Year Bond June Futures	Long	06/2019	20	59	0.06
Euro-Buxl 30-Year Bond June Futures	Short	06/2019	34	(288)	(0.29)
U.S. Treasury 10-Year Note June Futures	Long	06/2019	14	23	0.02
U.S. Treasury 30-Year Bond June Futures	Short	06/2019	29	(89)	(0.09)
U.S. Treasury Ultra Long-Term Bond June Futures	Short	06/2019	10	(16)	(0.02)
United Kingdom Long Gilt June Futures	Long	06/2019	19	(4)	0.00
				€ (410)	(0.41)
Total Financial Derivative Instruments Dealt in on a Regulated Market				€ (410)	(0.41)

CENTRALLY CLEARED FINANCIAL DERIVATIVE INSTRUMENTS (amounts in thousands*)

*A zero balance may reflect actual amounts rounding to less than one thousand.

INTEREST RATE SWAPS

Pay/Receive	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Unrealised Appreciation/ (Depreciation)	% of Net Assets
Pay	6-Month EUR-EURIBOR	0.750%	18/09/2029	€ 7,000	€ 87	0.09
Pay	6-Month EUR-EURIBOR	1.500	19/06/2049	2,100	210	0.21
Receive	6-Month GBP-LIBOR	1.500	18/09/2049	£ 800	(45)	(0.05)
Receive	6-Month JPY-LIBOR	1.000	21/03/2048	¥ 140,000	(145)	(0.14)
					€ 107	0.11
Total Centrally Cleared Financial Derivative Instruments					€ 107	0.11

OTC FINANCIAL DERIVATIVE INSTRUMENTS (amounts in thousands*)

*A zero balance may reflect actual amounts rounding to less than one thousand.

FORWARD FOREIGN CURRENCY CONTRACTS

Counterparty	Settlement Month	Currency to be Delivered	Currency to be Received	Unrealised Appreciation	Unrealised (Depreciation)	Net Unrealised Appreciation/ (Depreciation)	% of Net Assets
BOA	04/2019	€ 2,072	DKK 15,460	€ 0	€ (2)	€ (2)	0.00
	04/2019	16,388	\$ 18,448	41	0	41	0.04
	05/2019	1,924	£ 1,662	2	0	2	0.00
	05/2019	SEK 30,780	€ 2,951	0	(3)	(3)	0.00
	05/2019	\$ 16,133	14,300	0	(31)	(31)	(0.03)
BRC	04/2019	DKK 27,255	3,651	0	0	0	0.00
	04/2019	€ 1,974	DKK 14,730	0	(1)	(1)	0.00
	04/2019	1,263	\$ 1,425	6	0	6	0.01
	04/2019	\$ 1,920	€ 1,695	0	(15)	(15)	(0.01)
	05/2019	£ 3,111	3,587	0	(18)	(18)	(0.02)
FBF	05/2019	SEK 28,590	2,726	0	(18)	(18)	(0.02)
	04/2019	DKK 16,405	2,198	0	0	0	0.00
	04/2019	€ 109	DKK 815	0	0	0	0.00
GLM	04/2019	2,712	\$ 3,051	6	0	6	0.01
	04/2019	\$ 678	€ 599	0	(5)	(5)	(0.01)
	05/2019	€ 3,685	SEK 38,675	27	0	27	0.03
JPM	05/2019	£ 1,692	€ 1,970	10	0	10	0.01
	04/2019	DKK 14,820	1,986	1	0	1	0.00
	04/2019	€ 4,121	DKK 30,745	0	(3)	(3)	0.00
	04/2019	1,468	\$ 1,657	8	0	8	0.01
	04/2019	\$ 24,098	€ 21,111	0	(349)	(349)	(0.35)
MYI	05/2019	£ 2,033	2,312	0	(44)	(44)	(0.04)
	05/2019	SEK 57,615	5,479	0	(50)	(50)	(0.05)
	05/2019	\$ 3,703	3,289	0	0	0	0.00
	07/2019	€ 253	DKK 1,885	0	0	0	0.00
	04/2019	17,609	131,447	0	(2)	(2)	0.00
RYL	04/2019	\$ 417	€ 366	0	(5)	(5)	(0.01)
	05/2019	SEK 23,355	2,200	0	(42)	(42)	(0.04)
	07/2019	DKK 131,447	17,618	1	0	1	0.00
	04/2019	27,305	3,658	1	0	1	0.00
	05/2019	€ 75	£ 65	1	0	1	0.00
SCX	05/2019	2,210	SEK 23,270	23	0	23	0.02
	05/2019	SEK 37,630	€ 3,581	0	(30)	(30)	(0.03)
	07/2019	€ 2,929	DKK 21,850	0	0	0	0.00
	04/2019	DKK 36,437	€ 4,883	2	0	2	0.00

Counterparty	Settlement Month	Currency to be Delivered	Currency to be Received	Unrealised Appreciation	Unrealised (Depreciation)	Net Unrealised Appreciation/ (Depreciation)	% of Net Assets
	04/2019	€ 619	\$ 700	€ 5	€ 0	€ 5	0.00
	05/2019	£ 2,000	€ 2,335	18	0	18	0.02
	05/2019	¥ 35,000	280	0	(2)	(2)	0.00
SOG	04/2019	DKK 74,227	9,948	5	0	5	0.00
SSB	04/2019	€ 337	DKK 2,515	0	0	0	0.00
	05/2019	SEK 8,655	€ 823	0	(8)	(8)	(0.01)
UAG	04/2019	€ 1,323	\$ 1,500	13	0	13	0.01
				€ 170	€ (628)	€ (458)	(0.46)
Total OTC Financial Derivative Instruments						€ (458)	(0.46)
Total Investments						€ 94,635	94.15
Other Current Assets & Liabilities						€ 5,877	5.85
Net Assets						€ 100,512	100.00

NOTES TO SCHEDULE OF INVESTMENTS:

* A zero balance may reflect actual amounts rounding to less than one thousand.

(a) Zero coupon security.

Cash of €917 has been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as at 31 March 2019.

Cash of €290 has been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as at 31 March 2019.

(b) Repurchase Agreements as at 31 March 2019:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralised By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received ⁽¹⁾	% of Net Assets
SSB	1.350%	29/03/2019	01/04/2019	\$ 87	U.S. Treasury Notes 2.000% due 31/08/2021	€ (80)	€ 77	€ 77	0.08
Total Repurchase Agreements						€ (80)	€ 77	€ 77	0.08

⁽¹⁾ Includes accrued interest.

Fair Value Measurements⁽¹⁾

The following is a summary of the fair valuations according to the inputs used as at 31 March 2019 in valuing the Fund's assets and liabilities:

Category ⁽²⁾	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Transferable Securities	€ 0	€ 95,396	€ 0	€ 95,396
Financial Derivative Instruments ⁽³⁾	(410)	(351)	0	(761)
Totals	€ (410)	€ 95,045	€ 0	€ 94,635

The following is a summary of the fair valuations according to the inputs used as at 31 March 2018 in valuing the Fund's assets and liabilities:

Category ⁽²⁾	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Transferable Securities	€ 0	€ 171,611	€ 0	€ 171,611
Financial Derivative Instruments ⁽³⁾	(108)	293	0	185
Totals	€ (108)	€ 171,904	€ 0	€ 171,796

⁽¹⁾ See Note 3 in the Notes to Financial Statements for additional information.

⁽²⁾ Refer to the Schedule of Investments for additional information.

⁽³⁾ Financial Derivative Instruments may include open futures contracts, swap agreements, written options, purchased options and forward foreign currency contracts.

Collateral (Received)/Pledged for OTC Financial Derivative Instruments

The following is a summary by counterparty of the fair value of OTC financial derivative instruments and collateral (received)/pledged as at 31 March 2019:

Counterparty	Total Fair Value of OTC Derivatives	Collateral (Received)/Pledged	Net Exposures ⁽¹⁾
BOA	€ 7	€ 0	€ 7
BRC	(46)	0	(46)
GLM	38	0	38
JPM	(437)	290	(147)
MYI	(48)	0	(48)
RYL	(5)	0	(5)
SCX	23	0	23
SOG	5	0	5
SSB	(8)	0	(8)
UAG	13	0	13

⁽¹⁾ Net exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. See Note 15, Financial Risks, in the Notes to Financial Statements for more information regarding credit and counterparty risk.

Comparative Information

The following is a summary of the comparative information for the Schedule of Investments as at 31 March 2019:

	31-Mar-2019 (%)	31-Mar-2018 (%)
Transferable securities admitted to official stock exchange	91.64	98.11
Transferable securities dealt in on another regulated market*	3.19	0.06
Other transferable securities & money market instruments	0.08	2.41
Financial derivative instruments dealt in on a regulated market	(0.41)	(0.06)
Centrally cleared financial derivative instruments	0.11	0.03
OTC financial derivative instruments	(0.46)	0.14

* As per the list of markets set out in appendix 2 to the Prospectus which meet UCITS regulated market criteria.

The Fund's investment portfolio is concentrated in the following segments as at 31 March 2019:

Investments, at fair value	31-Mar-2019 (%)	31-Mar-2018 (%)
Australia	6.12	0.00
China	0.00	1.31
Denmark	19.11	17.35
France	0.00	0.52
Germany	11.03	2.69
Greece	1.03	0.00
Ireland	0.79	4.67
Italy	7.12	9.78
Japan	4.04	0.00
Luxembourg	4.09	6.70
Netherlands	4.11	0.00
Norway	1.24	0.00
Poland	3.54	3.64
Portugal	2.33	4.92
South Korea	3.24	1.54
Spain	5.21	14.18
Sweden	13.14	14.77
Switzerland	0.00	3.54
Turkey	0.00	0.72
United Kingdom	7.75	11.74
United States	0.94	0.10
Short-Term Instruments	0.08	2.41
Financial Derivative Instruments Dealt in on a Regulated Market		
Futures	(0.41)	(0.06)
Centrally Cleared Financial Derivative Instruments		
Interest Rate Swaps	0.11	0.03
OTC Financial Derivative Instruments		
Forward Foreign Currency Contracts	(0.46)	0.14
Other Current Assets & Liabilities	5.85	(0.69)
Net Assets	100.00	100.00

DESCRIPTION	PAR (0005)	FAIR VALUE (0005)	% OF NET ASSETS	DESCRIPTION	PAR (0005)	FAIR VALUE (0005)	% OF NET ASSETS	DESCRIPTION	PAR (0005)	FAIR VALUE (0005)	% OF NET ASSETS
TRANSFERABLE SECURITIES & MONEY MARKET INSTRUMENTS - OFFICIAL STOCK EXCHANGE/REGULATED MARKET											
CORPORATE BONDS & NOTES											
BANKING & FINANCE											
American Express Credit Corp. 3.174% due 15/08/2019	\$ 1,450	€ 1,114	0.51	Lloyds Bank PLC 0.375% due 18/01/2021	€ 100	€ 87	0.04	Marks & Spencer PLC 6.125% due 02/12/2019	€ 3,112	€ 3,203	1.47
Aroundtown S.A. 1.500% due 03/05/2022	€ 1,000	882	0.40	1.078% due 10/01/2021	€ 1,700	1,698	0.78	6.125% due 06/12/2021	150	166	0.08
Bank of America Corp. 1.153% due 06/05/2019	1,100	949	0.44	1.086% due 27/03/2023	500	497	0.23	Network Rail Infrastructure Finance PLC			
6.125% due 15/09/2021	€ 1,300	1,443	0.66	1.224% due 16/01/2020	3,000	3,003	1.38	4.625% due 21/07/2020	1,350	1,417	0.65
Bank of Montreal 1.750% due 15/06/2021	\$ 1,000	754	0.35	Lloyds Banking Group PLC				RELX Investments PLC			
Bank of Nova Scotia 1.875% due 26/04/2021	1,200	908	0.42	0.750% due 09/11/2021	€ 1,500	1,308	0.60	2.750% due 01/08/2019	400	400	0.18
Bank of Scotland PLC 6.375% due 16/08/2019	€ 2,100	2,139	0.98	Macquarie Bank Ltd.				Sky Ltd.			
Barclays Bank PLC 10.000% due 21/05/2021	1,900	2,205	1.01	3.872% due 29/07/2020	\$ 1,700	1,319	0.61	0.439% due 01/04/2020	€ 1,800	1,558	0.72
Barclays Bank UK PLC 1.089% due 22/05/2020	1,800	1,802	0.83	Merlin Properties Socimi S.A.				2.875% due 24/11/2020			
Blackstone Property Partners Europe Holdings S.A.R.L. 1.400% due 06/07/2022	€ 1,000	879	0.40	2.375% due 23/05/2022	€ 1,000	906	0.42	TDF Infrastructure S.A.S.			
BNG Bank NV 1.375% due 09/12/2019	€ 2,000	2,007	0.92	Metropolitan Life Global Funding				2.875% due 19/10/2022			
Citigroup, Inc. 6.250% due 02/09/2019	2,600	2,655	1.22	1.625% due 09/06/2022	€ 1,300	1,308	0.60	Telefonica Emisiones S.A.			
Citycon Treasury BV 2.375% due 16/09/2022	€ 300	269	0.12	National Westminster Bank PLC				5.597% due 12/03/2020			
Council of Europe Development Bank 1.250% due 23/12/2019	€ 1,100	1,103	0.51	1.130% due 15/05/2020	400	400	0.18	Total Capital International S.A.			
CPI Property Group S.A. 1.450% due 14/04/2022	€ 300	262	0.12	Nederlandse Waterschapsbank NV				1.148% due 01/07/2019			
Credit Agricole S.A. 3.587% due 15/04/2019	\$ 1,200	921	0.42	1.000% due 09/12/2019	1,000	1,001	0.46	Vilmorin & Cie S.A.			
Credit Suisse AG 0.750% due 17/09/2021	€ 100	88	0.04	Nordea Eiendomskreditt A/S				2.375% due 26/05/2021			
Credit Suisse Group Funding Guernsey Ltd. 1.250% due 14/04/2022	1,800	1,594	0.73	1.176% due 18/06/2023	3,200	3,183	1.46				
Deutsche Bank AG 1.750% due 16/12/2021	€ 1,500	1,471	0.68	Nordea Hypotek AB							
Deutsche Hypothekbank AG 1.100% due 22/03/2021	1,300	1,298	0.60	1.000% due 08/04/2022	SEK 23,100	1,957	0.90				
Deutsche Pfandbriefbank AG 1.875% due 20/12/2019	1,100	1,106	0.51	Nykredit Realkredit A/S							
2.250% due 04/05/2020	\$ 6,000	4,579	2.10	0.875% due 13/06/2019	€ 100	86	0.04				
Dexia Credit Local S.A. 2.000% due 17/06/2020	€ 1,000	1,010	0.46	Royal Bank of Canada							
European Investment Bank 0.625% due 17/01/2020	1,000	999	0.46	1.076% due 08/12/2022	€ 2,200	2,186	1.00				
2.250% due 07/03/2020	1,000	1,014	0.47	1.116% due 08/06/2021	3,100	3,100	1.42				
Fastighets AB Balder 1.125% due 14/03/2022	€ 700	610	0.28	Santander UK PLC							
FMS Wertmanagement 1.125% due 13/12/2019	€ 1,000	1,002	0.46	0.317% due 22/05/2019	€ 1,500	1,293	0.59				
Ford Motor Credit Co. LLC 3.668% due 04/11/2019	\$ 1,500	1,152	0.53	1.099% due 16/11/2022	€ 1,200	1,193	0.55				
GE Capital UK Funding Unlimited Co. 5.875% due 04/11/2020	€ 1,000	1,064	0.49	1.136% due 20/09/2021	2,000	2,000	0.92				
General Motors Financial Co., Inc. 4.347% due 15/01/2020	\$ 1,300	1,004	0.46	1.142% due 13/04/2021	2,900	2,898	1.33				
Goldman Sachs Group, Inc. 0.390% due 29/05/2020	€ 800	693	0.32	1.185% due 05/05/2020	700	701	0.32				
3.932% due 23/04/2020	\$ 1,000	774	0.36	1.875% due 17/02/2020	1,900	1,911	0.88				
HSBC Holdings PLC 4.835% due 08/03/2021	1,600	1,267	0.58	4.250% due 12/04/2021	€ 100	94	0.04				
Intesa Sanpaolo SpA 0.740% due 15/06/2020	€ 1,000	867	0.40	Skandinaviska Enskilda Banken AB							
Kreditanstalt fuer Wiederaufbau 1.625% due 05/06/2020	€ 1,000	1,009	0.46	1.500% due 15/12/2021	SEK 35,000	2,994	1.37				
Landwirtschaftliche Rentenbank 1.500% due 23/12/2019	1,000	1,005	0.46	Stadshypotek AB							
Lansforsakringar Hypotek AB 1.500% due 18/03/2021	€ 300	267	0.12	1.500% due 15/12/2021	34,000	2,915	1.34				
2.250% due 21/09/2022	SEK 22,000	1,934	0.89	4.500% due 21/09/2022	18,000	1,706	0.78				
				Svensk Exportkredit AB							
				0.625% due 07/12/2020	€ 1,000	995	0.46				
				Sveriges Sakerstallda Obligationer AB							
				1.250% due 15/06/2022	SEK 23,000	1,959	0.90				
				Swedbank Hypotek AB							
				1.000% due 15/09/2021	18,700	1,580	0.73				
				Toronto-Dominion Bank							
				2.250% due 15/03/2021	\$ 1,200	915	0.42				
				TSB Bank PLC							
				1.083% due 07/12/2022	€ 800	794	0.36				
				UBS AG							
				1.250% due 10/12/2020	1,200	1,199	0.55				
				3.333% due 14/08/2019	\$ 1,600	1,231	0.56				
				UBS Group Funding Switzerland AG							
				1.750% due 16/11/2022	€ 700	632	0.29				
				Virgin Money PLC							
				2.250% due 21/04/2020	€ 1,200	1,206	0.55				
				Volkswagen Financial Services NV							
				1.500% due 12/04/2021	1,000	995	0.46				
				2.625% due 22/07/2019	600	602	0.28				
				Yorkshire Building Society							
				1.314% due 19/11/2023	1,500	1,504	0.69				
						99,455	45.66				
				INDUSTRIALS							
				Amgen, Inc.							
				3.263% due 22/05/2019	\$ 800	614	0.28				
				BAT International Finance PLC							
				6.375% due 12/12/2019	€ 1,400	1,447	0.66				
				Davide Campari-Milano SpA							
				2.750% due 30/09/2020	€ 800	713	0.33				
				Glencore Finance Europe Ltd.							
				6.000% due 03/04/2022	€ 200	222	0.10				
				Imperial Brands Finance PLC							
				9.000% due 17/02/2022	1,000	1,191	0.55				
				Kinder Morgan, Inc.							
				1.500% due 16/03/2022	€ 200	179	0.08				
				UTILITIES							
				E.ON International Finance BV							
				6.000% due 30/10/2019	€ 2,300	2,362	1.08				
				Enel SpA							
				6.250% due 20/06/2019	1,100	1,111	0.51				
				innogy Finance BV							
				5.500% due 06/07/2022	150	169	0.08				
				Koninklijke KPN NV							
				6.000% due 29/05/2019	1,300	1,309	0.60				
				National Grid Gas PLC							
				6.375% due 03/03/2020	250	262	0.12				
						5,213	2.39				
				Total Corporate Bonds & Notes				123,064 56.49			
				NON-AGENCY MORTGAGE-BACKED SECURITIES							
				BAMS CMBS DAC							
				1.869% due 17/05/2028	1,400	1,389	0.64				
				Brass PLC							
				1.524% due 16/10/2059	1,654	1,655	0.76				
				Dukinfield PLC							
				1.870% due 15/08/2045	1,178	1,181	0.54				
				Eurosail PLC							
				1.793% due 13/06/2045	1,317	1,295	0.59				
				Finsbury Square PLC							
				0.000% due 16/06/2069	700	701	0.32				
				1.495% due 12/09/2065	845	842	0.39				
				1.525% due 12/09/2065	669	667	0.31				
				1.545% due 12/03/2059	1,173	1,173	0.54				
				Gosforth Funding PLC							
				1.440% due 25/08/2060	1,956	1,955	0.90				
				1.470% due 15/02/2058	168	168	0.08				
				1.726% due 24/07/2058	149	149	0.07				
				Holmes Master Issuer PLC							
				1.208% due 15/10/2054	857	856	0.39				
				Ludgate Funding PLC							
				1.042% due 01/12/2060	155	146	0.07				
				1.510% due 01/01/2061	162	156	0.07				
				Oak PLC							
				1.527% due 26/02/2052	364	364	0.17				
				Precise Mortgage Funding PLC							
				1.495% due 12/12/2054	175	174	0.08				
				Residential Mortgage Securities PLC							
				1.637% due 20/03/2050	2,682	2,674	1.23				
				1.787% due 20/12/2046	1,207	1,209	0.55				
				1.995% due 15/06/2046	337	338	0.15				
				2.037% due 20/09/2065	1,051	1,054	0.48				
				Ripon Mortgages PLC							
				1.659% due 20/08/2056	807	804	0.37				
				RMAC PLC							
				1.815% due 12/06/2046	1,239	1,237	0.57				
				Rochester Financing PLC							
				2.146% due 18/06/2045	736	738	0.34				
				Stanlington PLC							
				1.845% due 12/06/2046	2,353	2,348	1.08				
				Taurus UK DAC							
				1.719% due 17/11/2027	397	392	0.18				

DESCRIPTION	PAR (0005)	FAIR VALUE (0005)	% OF NET ASSETS	DESCRIPTION	PAR (0005)	FAIR VALUE (0005)	% OF NET ASSETS
Thrones PLC				Tymon Park CLO Ltd.			
1.720% due 15/11/2049	£ 453	£ 453	0.21	0.590% due 21/01/2029	€ 400	£ 343	0.16
Towd Point Mortgage Funding PLC						<u>23,737</u>	<u>10.90</u>
0.000% due 20/10/2051 (a)	2,200	2,201	1.01	SOVEREIGN ISSUES			
Trinidad Mortgage Securities PLC				Caisse des Depots et Consignations			
1.726% due 24/01/2059	1,239	1,226	0.56	1.500% due 23/12/2019	£ 1,000	1,004	0.46
Trinity Square PLC				Export Development Canada			
2.078% due 15/07/2051	621	623	0.29	1.022% due 13/10/2022	1,800	1,800	0.82
Warwick Finance Residential Mortgages PLC				Kommunalbanken A/S			
1.837% due 21/09/2049	550	552	0.25	0.875% due 08/12/2020	1,000	999	0.46
		<u>28,720</u>	<u>13.19</u>	Municipality Finance PLC			
ASSET-BACKED SECURITIES				0.750% due 15/12/2020	1,000	997	0.46
Accunia European CLO BV						<u>4,800</u>	<u>2.20</u>
0.000% due 15/07/2030 (a)	€ 800	689	0.32	SHORT-TERM INSTRUMENTS			
Adagio CLO Ltd.				REPURCHASE AGREEMENTS (d)			
0.660% due 15/10/2029	200	172	0.08			<u>34,000</u>	<u>15.61</u>
Arbour CLO DAC				U.K. TREASURY BILLS			
0.580% due 15/03/2029	400	343	0.16	0.750% due 15/07/2019 (b)(c)	9,600	9,579	4.39
Aurium CLO DAC				Total Short-Term Instruments		<u>43,579</u>	<u>20.00</u>
0.680% due 13/10/2029	200	172	0.08	Total Transferable Securities & Money Market Instruments - Official Stock Exchange/Regulated Market			
0.800% due 26/04/2029	800	690	0.32		<u>£ 223,900</u>	<u>102.78</u>	
Babson Euro CLO BV							
0.512% due 25/10/2029	1,750	1,505	0.69				
Barings Euro CLO BV							
0.680% due 27/07/2030	200	171	0.08				
Bavarian Sky U.K. PLC							
1.100% due 20/11/2025	£ 2,564	2,562	1.17				
Bosphorus CLO DAC							
0.850% due 15/04/2027	€ 484	418	0.19				
Bumper UK Finance PLC							
1.260% due 20/11/2027	£ 1,341	1,342	0.62				
Cairn CLO BV							
0.593% due 30/01/2028	€ 200	173	0.08				
0.650% due 20/10/2028	800	688	0.31				
0.790% due 25/07/2029	1,900	1,633	0.75				
Carlyle Global Market Strategies Euro CLO DAC							
0.730% due 21/09/2029	200	173	0.08				
1.200% due 21/09/2029	200	173	0.08				
Cork Street CLO Designated Activity Co.							
0.590% due 27/11/2028	200	172	0.08				
CVC Cordatus Loan Fund Ltd.							
0.970% due 22/04/2030	2,000	1,727	0.79				
Dartry Park CLO DAC							
0.830% due 28/04/2029	200	173	0.08				
Delamare Cards MTN Issuer PLC							
1.379% due 19/05/2021	£ 3,800	3,802	1.74				
FCT Titrisocram							
0.113% due 25/11/2035	€ 58	50	0.02				
Globaldrive Auto Receivables UK PLC							
1.200% due 20/09/2024	£ 118	118	0.05				
Gracechurch Card Funding PLC							
1.230% due 15/07/2021	2,000	2,000	0.92				
Harvest CLO DAC							
0.630% due 18/11/2029	€ 100	86	0.04				
Jubilee CLO BV							
0.490% due 15/12/2029	1,000	859	0.39				
0.532% due 12/07/2028	700	604	0.28				
Orwell Park CLO Designated Activity Co.							
0.780% due 18/07/2029	100	86	0.04				
Silver Arrow Compartment							
1.080% due 20/07/2023	£ 391	391	0.18				
SLM Student Loan Trust							
0.000% due 25/01/2024	€ 96	83	0.04				
0.000% due 17/06/2024	66	57	0.03				
Sorrento Park CLO DAC							
0.642% due 16/11/2027	700	604	0.28				
1.200% due 16/11/2027	250	216	0.10				
Tikehau CLO BV							
0.600% due 04/08/2028	200	172	0.08				
Toro European CLO DAC							
0.900% due 15/10/2030	1,400	1,208	0.55				
Turbo Finance PLC							
1.479% due 20/02/2023	£ 82	82	0.04				

OTC FINANCIAL DERIVATIVE INSTRUMENTS (amounts in thousands*)

*A zero balance may reflect actual amounts rounding to less than one thousand.

FORWARD FOREIGN CURRENCY CONTRACTS

Counterparty	Settlement Month	Currency to be Delivered	Currency to be Received	Unrealised Appreciation	Unrealised (Depreciation)	Net Unrealised Appreciation/ (Depreciation)	% of Net Assets
BRC	05/2019	SEK 182,915	£ 15,414	£ 264	£ 0	£ 264	0.12
CBK	05/2019	\$ 119	92	1	0	1	0.00
HUS	05/2019	€ 1,932	1,675	8	0	8	0.01
JPM	05/2019	33,284	29,270	546	0	546	0.25
SCX	05/2019	£ 1,719	€ 2,000	7	0	7	0.00
UAG	05/2019	\$ 21,579	£ 16,659	135	0	135	0.06
				£ 961	£ 0	£ 961	0.44
Total OTC Financial Derivative Instruments						£ 961	0.44
Total Investments						£ 224,861	103.22
Other Current Assets & Liabilities						£ (7,024)	(3.22)
Net Assets						£ 217,837	100.00

NOTES TO SCHEDULE OF INVESTMENTS:

* A zero balance may reflect actual amounts rounding to less than one thousand.

- (a) When-issued security.
- (b) Zero coupon security.
- (c) Coupon represents a yield to maturity.
- (d) Repurchase Agreements as at 31 March 2019:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralised By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received ⁽¹⁾	% of Net Assets
BRC	0.730%	29/03/2019	01/04/2019	£ 34,000	United Kingdom Gilt 1.750% - 4.250% due 07/12/2049 - 22/07/2057	£ (33,636)	£ 34,000	£ 34,002	15.61
Total Repurchase Agreements						£ (33,636)	£ 34,000	£ 34,002	15.61

⁽¹⁾ Includes accrued interest.

Fair Value Measurements⁽¹⁾

The following is a summary of the fair valuations according to the inputs used as at 31 March 2019 in valuing the Fund's assets and liabilities:

Category ⁽²⁾	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Transferable Securities	£ 0	£ 223,900	£ 0	£ 223,900
Financial Derivative Instruments ⁽³⁾	0	961	0	961
Totals	£ 0	£ 224,861	£ 0	£ 224,861

The following is a summary of the fair valuations according to the inputs used as at 31 March 2018 in valuing the Fund's assets and liabilities:

Category ⁽²⁾	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Transferable Securities	£ 0	£ 284,756	£ 0	£ 284,756
Financial Derivative Instruments ⁽³⁾	0	1,911	0	1,911
Totals	£ 0	£ 286,667	£ 0	£ 286,667

⁽¹⁾ See Note 3 in the Notes to Financial Statements for additional information.

⁽²⁾ Refer to the Schedule of Investments for additional information.

⁽³⁾ Financial Derivative Instruments may include open futures contracts, swap agreements, written options, purchased options and forward foreign currency contracts.

Collateral (Received)/Pledged for OTC Financial Derivative Instruments

The following is a summary by counterparty of the fair value of OTC financial derivative instruments and collateral (received)/pledged as at 31 March 2019:

Counterparty	Total Fair Value of OTC Derivatives	Collateral (Received)/Pledged	Net Exposures ⁽¹⁾
BRC	£ 264	£ (300)	£ (36)
CBK	1	0	1
HUS	8	0	8
JPM	546	(750)	(204)
SCX	7	0	7
UAG	135	(400)	(265)

⁽¹⁾ Net exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. See Note 15, Financial Risks, in the Notes to Financial Statements for more information regarding credit and counterparty risk.

Comparative Information

The following is a summary of the comparative information for the Schedule of Investments as at 31 March 2019:

	31-Mar-2019 (%)	31-Mar-2018 (%)
Transferable securities admitted to official stock exchange	80.17	74.54
Transferable securities dealt in on another regulated market*	7.00	1.36
Other transferable securities & money market instruments	15.61	23.28
OTC financial derivative instruments	0.44	0.66

* As per the list of markets set out in appendix 2 to the Prospectus which meet UCITS regulated market criteria.

The Fund's investment portfolio is concentrated in the following segments as at 31 March 2019:

Investments, at fair value	31-Mar-2019 (%)	31-Mar-2018 (%)
Corporate Bonds & Notes	56.49	49.43
Non-Agency Mortgage-Backed Securities	13.19	6.09
Asset-Backed Securities	10.90	10.82
Sovereign Issues	2.20	1.03
Short-Term Instruments	20.00	31.81
OTC Financial Derivative Instruments		
Forward Foreign Currency Contracts	0.44	0.66
Other Current Assets & Liabilities	(3.22)	0.16
Net Assets	100.00	100.00

PIMCO Fixed Income Source ETFs plc

Notes to the Financial Statements

1. GENERAL INFORMATION

Each of the Funds (hereinafter referred to individually as a "Fund" and collectively as the "Funds") discussed in this report is a sub-fund of PIMCO Fixed Income Source ETFs plc (the "Company"), an umbrella type open-ended investment Company with variable capital and with segregated liability between Funds incorporated with limited liability in Ireland under the Companies Act 2014 with registration number 489440 and authorised by the Central Bank of Ireland (the "Central Bank") pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the "UCITS Regulations"). The Company is an umbrella type company consisting of different Funds each comprising one or more classes of shares. More than one class of shares ("Class") may, at the discretion of the Board of Directors (the "Board"), be issued in relation to a Fund. A separate portfolio of assets is maintained for each Fund and is invested in accordance with the investment objectives and policies applicable to such Fund. Additional Funds may be created from time to time by the Board with the prior written approval of the Central Bank. Additional Classes may be created from time to time by the Board and will be notified and cleared in advance with the Central Bank or otherwise must be created in accordance with the requirements of the Central Bank. The Company was incorporated on 24 September 2010.

The Funds are exchange-traded Funds ("ETF") and Shares (as defined in the Prospectus) of the Funds are listed and traded at market prices on one or more Relevant Stock Exchanges (as defined in the Prospectus) and other secondary markets. The market price for a Fund's Shares may be different from the Fund's NAV. Typically only Authorised Participants (as defined in the Prospectus) may purchase Shares at Net Asset Value from the Company. Authorised Participants may subscribe for Shares in cash or in kind with securities similar to a Fund's portfolio (and acceptable as such to the Investment Advisors).

The PIMCO Covered Bond Source UCITS ETF is traded on the Deutsche Börse AG and the PIMCO Sterling Short Maturity Source UCITS ETF is listed on Euronext Dublin and traded on the London Stock Exchange.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies and estimation techniques adopted by the Company and applied in the preparation of these financial statements:

(a) Basis of Preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland, Irish statute comprising the Companies Act 2014 and the UCITS Regulations. They have been prepared in accordance with Financial Reporting Standard ("FRS") 102: "The financial reporting standard applicable in the UK and Republic of Ireland". The accounting standards generally accepted in Ireland in preparing financial statements are those issued by the Financial Reporting Council ("FRC"). The financial statements are prepared on a going concern basis for all Funds.

The information required to be included in the Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders Funds, is, in the opinion of the Directors contained in the Statement of Operations and the Statement of Changes in Net Assets.

The Company has availed of the exemption available to open-ended investment funds under FRS 102 not to prepare a cash flow statement.

The financial statements are prepared under the historical cost convention as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss.

The Company maintains separate accounts for each Fund. Shares are issued by the Company and allocated to whichever Fund is selected by the shareholder. The proceeds of issue and the income arising thereon are credited to each Class of each Fund in proportion to the total valuation of each Class. Upon redemption, Shareholders are only entitled to their portion of the net assets held in the Fund in respect of which Shares have been issued to them.

Financial statement figures have been rounded to thousands unless otherwise indicated throughout the report.

(b) Determination of Net Asset Value

The Net Asset Value (the "NAV") of each Fund and/or each Class will be calculated as of the close of regular trading on each Dealing Day (normally 4:00 p.m., Eastern time) as disclosed in the Company's most recent Prospectus or the relevant supplement.

The Company has chosen to apply the recognition and measurement provisions of International Accounting Standard ("IAS") 39 Financial Instruments: Recognition and Measurement, and the disclosure and presentation requirements of FRS 102 to account for its financial instruments. In accordance with IAS 39, Fund securities and other assets are valued at the last traded price on the 31 March 2019 to determine the Net Assets Attributable to Redeemable Participating Shareholders from operations ("Net Assets").

(c) Securities Transactions and Investment Income

Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled 15 days or more after the trade date. Realised gains and losses from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortisation of premiums, is recorded on the accrual basis from settlement date and calculated using an effective interest methodology, with the exception of securities with a forward starting effective date, where interest income is recorded on the accrual basis from effective date using an effective interest methodology. For convertible securities, premiums attributable to the conversion feature are not amortised. Estimated tax liabilities on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or as withholding taxes on dividends and other investment income on the Statement of Operations, as appropriate.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become

PIMCO Fixed Income Source ETFs plc

Notes to the Financial Statements (Cont.)

doubtful based on the consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

(d) Multi-Class Allocations

Each Class of a Fund offered by the Company has equal rights, unless otherwise specified, to assets and voting privileges (except that Shareholders of a Class have exclusive voting rights regarding any matter relating solely to that Class). Within each Class of each Fund, the Company may issue either or both Income Shares (shares which distribute income) and Accumulation Shares (shares which accumulate income). The multiple Class structure permits an investor to choose the method of purchasing shares that is most beneficial to the investor, given the amount of the purchase, the length of time the investor expects to hold the shares, and other circumstances. Where there are shares of a different Class or type in issue, the NAV per share amongst Classes may differ to reflect the fact that income has been accumulated or distributed, or may have differing fees and expenses. Realised and unrealised capital gains and losses of each Fund are allocated daily to each Class of shares based on the relative net assets of each Class of the respective Fund.

(e) Cash and Foreign Currency

The financial statements of each Fund are presented using the currency of the primary economic environment in which it operates (the "functional currency"). The Funds in the Company have the same functional and presentation currency.

Certain Funds have multiple Classes of foreign shares, which are shown in the foreign currency where each Class operates and are considered foreign currencies for the measurement of the financial statements.

The presentation currency of the financial statements is primarily in Euro, except for certain Funds that are denominated in US Dollars or in British Pound Sterling. The Company totals of the Funds, required under Irish Company law, are presented in Euro, which is the primary economic environment of the Company. All amounts are in Euro unless otherwise indicated.

The fair values of foreign securities, currency holdings and other assets and liabilities are translated into the functional currency of each Fund based on the current exchange rate for each business day. Fluctuations in the value of currency holdings and other assets and liabilities resulting from changes in exchange rates are recorded as unrealised gains or losses on foreign currencies.

The unrealised gains or losses arising from the translation of securities denominated in a foreign currency are included in Net change in unrealised appreciation/(depreciation) on transferable securities and deposits with credit institutions and unrealised gains or losses arising from the translation of financial derivative instruments denominated in a foreign currency are included in Net change in unrealised appreciation/(depreciation) on financial derivative instruments in the Statement of Operations.

Currency gains and losses arising from sale of securities denominated in a foreign currency are included in Net realised gain/(loss) on transferable securities and deposits with credit institutions and currency gains or losses

arising from the sale of financial derivative instruments denominated in a foreign currency are included in Net change in realised gain/(loss) on financial derivative instruments in the Statement of Operations.

Realised gains and losses arising between the transaction and settlement dates on purchases and sales of foreign currency denominated securities and financial derivative instruments are included in Net realised gain/ (loss) on foreign currency in the Statement of Operations.

Currency gains and losses can arise when there is a difference between the amounts of foreign income/expense recorded on the Fund's books and the Fund's functional currency equivalent to the amounts actually received or paid. These gains or losses are included where appropriate in the income/expense figure in the Statement of Operations.

Certain Funds having a hedged class enter into forward foreign currency contracts designed to offset the effect of hedging at the Fund level in order to leave the functional currency (the "Hedged Classes") with an exposure to currencies other than the functional currency.

With respect to the Hedged Classes, the Company intends to hedge against movements of the currency denominations of the Hedged Classes versus other currencies subject to the regulations and interpretations promulgated by the Central Bank from time to time. The Hedged Classes shall not be leveraged as a result of these transactions. While the Company will attempt to hedge currency risk, there can be no guarantee that it will be successful in doing so. Hedging transactions will be clearly attributable to a specific Class. All costs and gains/losses of such hedging transactions shall substantially limit Shareholders in the relevant Hedged Class from benefiting if the Class currency falls against the functional currency and/or the currency in which some or all of the assets of the relevant Fund are denominated. The Company may from time to time at its discretion and upon prior notification to and clearance from the Central Bank issue additional Classes of shares denominated in and hedged to other currencies.

The Statement of Assets and Liabilities is translated using exchange rates at the financial year end and the Statement of Operations and Statement of Changes in Net Assets are translated at an average rate (as an approximate of actual rates) over the financial year for inclusion in the combined financial statements of the Company. The method of translation has no effect on the value of net assets allocated to the individual Funds.

(f) Transaction Costs

Transaction costs are costs incurred to acquire financial assets and liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs are included on the Statement of Operations within Net realised gain/(loss) and Net change in unrealised appreciation/(depreciation) on transferable securities and deposits with credit institutions, Net realised gain/(loss) and Net change in unrealised appreciation/(depreciation) on financial derivative instruments, Net realised gain/(loss) and Net change in unrealised appreciation/(depreciation) on foreign currency. For fixed income securities and certain derivatives, transaction costs are not separately identifiable from the purchase price of the security and therefore cannot be disclosed separately.

PIMCO Fixed Income Source ETFs plc

Notes to the Financial Statements (Cont.)

(g) Equalisation

The Company follows the accounting practice known as income equalisation. The income equalisation adjustment ensures income distributed to the shareholders investing in the Income Class Shares is in proportion to the time of ownership in the distribution period. A sum equal to that part of the issued price per Share which reflects net income (if any) accrued but undistributed up to the date of issue of the Shares will be deemed to be an equalisation payment and treated as repaid to the relevant Shareholder on (i) the redemption of such Shares prior to the payment of the first dividend thereon or (ii) the payment of the first dividend to which the Shareholder was entitled in the same accounting period as that in which the Shares are issued. The payment of any dividends subsequent to the payment of the first dividend thereon or the redemption of such Shares subsequent to the payment of the first dividend will be deemed to include net income (if any) accrued but unpaid up to the date of the relevant redemption or declaration of dividend.

3. INVESTMENTS AT FAIR VALUE

This category has two sub-categories: financial assets and liabilities designated by management at fair value through profit or loss at inception, and those held for trading. Financial assets and liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. Financial assets or liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term. Derivatives are categorised as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy.

The Funds' policy requires Pacific Investment Management Company LLC, PIMCO Europe Ltd. and PIMCO Deutschland GmbH (or "PIMCO" "Investment Advisors") and the Board to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Gains and losses arising from changes in the fair value of financial assets and liabilities at fair value through profit or loss are included on the Statement of Operations in the financial year in which they arise.

Fund securities and other assets for which market quotes are readily available are valued at fair value. Fair value is generally determined on the basis of last reported sales prices, or if no sales are reported, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.

Investments initially valued in currencies other than the functional currency of the Fund are converted using exchange rates obtained from pricing services. As a result, the NAV of the Fund's shares may be affected by changes in the value of currencies in relation to the Fund's functional currency. The value of securities traded in foreign markets or denominated in currencies other than the Fund's functional currency may be affected significantly on a day that the relevant stock exchange is closed and the NAV may change on days when an investor is not able to purchase, redeem or exchange shares.

If the value of a security that is solely traded on a foreign exchange has materially changed after the close of the security's primary exchange or principal market but before the close of the dealing day, the security will be valued at fair value based on procedures established and approved by the Board. Securities that do not trade when a Fund is open are also valued at fair value. A Fund may determine the fair value of investments based on information provided by pricing service providers and other third party vendors, which may recommend fair value prices or adjustments with reference to other securities, indices or assets. In considering whether fair value pricing is required and in determining fair values, a Fund may, among other things, consider significant events (which may be considered to include changes in the value of securities or securities indices) that occur after the close of the relevant market and before the close of the dealing day. A Fund may utilise modelling tools provided by third party vendors to determine fair values of securities impacted by significant events. Foreign exchanges may permit trading in foreign securities on days when the Company is not open for business, which may result in a Fund's portfolio investments being affected when the Fund is unable to buy or sell shares. A Fund has retained a pricing service to assist in determining the fair value of foreign securities. This service utilises statistics and programs based on historical performance of markets and other economic data to assist in making fair value estimates. Fair value estimates used by a Fund for foreign securities may differ from the value realised from the sale of those securities and the difference could be material to the financial statements. Fair value pricing may require subjective determinations about the value of a security or other asset, and fair values used to determine a Fund's NAV may differ from quoted or published prices, or from prices that are used by others, for the same investments. In addition, the use of fair value pricing may not always result in adjustments to the prices of securities or other assets held by a Fund.

Investments in funds within the PIMCO Funds, as detailed in the Schedule of Investments, are valued at their unaudited NAV as reported by the underlying funds.

The Company is required to disclose the fair value hierarchy in which fair value measurements are categorised for assets and liabilities. The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

Fair value is defined as the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction. Disclosure of a fair value hierarchy is required separately for each major category of assets and liabilities that segregates fair value measurements into levels (Levels 1, 2, and 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- Level 1 — The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.

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Notes to the Financial Statements (Cont.)

- Level 3 — Inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

Level 1 and Level 2 trading assets and trading liabilities, at fair market value The valuation techniques and significant inputs used in determining the fair market values of financial instruments classified as Level 1 and Level 2 of the fair value hierarchy are as follows:

Fixed income securities including corporate, convertible and municipal bonds and notes, US government agencies, US treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-US bonds are normally valued by pricing service providers that use broker dealer quotations, reported trades or valuation estimates from their internal pricing models. The service providers' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorised as Level 2 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. These securities are categorised as Level 2 of the fair value hierarchy.

Mortgage-related and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by pricing service providers that use broker dealer quotations or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporates deal collateral performance, as available. Mortgage-related and asset-backed securities that use similar valuation techniques and inputs as described above are categorised as Level 2 of the fair value hierarchy.

Common stocks, exchange-traded Funds and financial derivative instruments, such as futures contracts or options contracts that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorised as Level 1 of the fair value hierarchy. Valuation adjustments may be applied to certain securities that are solely traded on a foreign exchange to account for the market movement between the close of the foreign market and the close of the local exchange. These securities are valued using pricing service providers that consider the correlation of the trading patterns of the foreign security to the intraday trading in the local markets for investments. Securities using these valuation adjustments are categorised as Level 2 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are also categorised as Level 2 of the fair value hierarchy.

Investments in registered open-end investment funds are valued based upon the unaudited NAVs of such investments and are categorised as Level 1 of the fair value hierarchy. Investments in unregistered open-end investment funds are calculated based upon the unaudited NAV of such investments and are considered Level 1 provided that the NAV is observable, calculated daily and is the value at which both purchases and

sales will be conducted. Investments in privately held investment funds are valued based upon the unaudited NAVs of such investments and are categorised as Level 2 of the fair value hierarchy. Investments in privately held investment funds where the inputs of the NAVs are unobservable are calculated based upon the NAVs of such investments and are categorised as Level 3 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortised cost, so long as the amortised cost value of such short-term debt instruments is approximately the same as the fair value of the instrument as determined without the use of amortised cost valuation. These securities are categorised as Level 2 or Level 3 of the fair value hierarchy depending on the source of the base price.

Over-the-counter financial derivative instruments, such as forward foreign currency contracts, options contracts, or swap agreements, derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These contracts are normally valued on the basis of broker dealer quotations or pricing service providers. Depending on the product and the terms of the transaction, the value of the derivative contracts can be estimated by a pricing service provider using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as issuer details, indices, spreads, interest rates, curves, dividends and exchange rates. Derivatives that use similar valuation techniques and inputs as described above are categorised as Level 2 of the fair value hierarchy.

Centrally cleared swaps listed or traded on a multilateral or trade facility platform, such as a registered exchange are valued at the daily settlement price determined by the respective exchange. For centrally cleared credit default swaps the clearing facility requires its members to provide actionable levels across complete term structures. These levels along with external third party prices are used to produce daily settlement prices. These securities are categorised as Level 2 of the fair value hierarchy. Centrally cleared interest rate swaps are valued using a pricing model that references the underlying rates including the overnight index swap rate and LIBOR forward rate. These securities are categorised as Level 2 of the fair value hierarchy.

Level 3 trading assets and trading liabilities, at fair value The valuation techniques and significant inputs used in determining the fair values of Fund assets and financial instruments classified as Level 3 of the fair value hierarchy are as follows:

Securities and other assets for which market quotes are not readily available are valued at fair value as determined in good faith by the Board or persons acting at their direction and are categorised as Level 3 of the fair value hierarchy.

Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information), including where events occur after the close of the relevant market, but prior to the close of the Fund's Dealing Day, that materially affect the values of the Fund's securities or assets. In addition, market quotes are considered not readily available when, due to

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extraordinary circumstances, the exchanges or markets on which the securities trade, do not open for trading for the entire day and no other market prices are available. The Board has delegated to PIMCO the responsibility for monitoring significant events that may materially affect the value of the Fund's securities or assets and for determining whether the value of the applicable securities or assets should be re-evaluated in light of such significant events.

The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available, and has delegated the responsibility for applying the valuation methods to PIMCO. For instances in which daily market quotes are not readily available investments may be valued, pursuant to guidelines established by the Board, with reference to other securities or indices. In the event that the security or asset cannot be valued pursuant to one of the valuation methods established by the Board, the value of the security or asset will be determined in good faith by the Pricing Committee of the Board, generally based upon recommendations provided by PIMCO. When the Fund uses fair valuation methods applied by PIMCO that use significant unobservable inputs to determine its NAV, securities will be priced by another method that the Board or persons acting at their direction believe accurately reflects fair value and are categorised as Level 3 of the fair value hierarchy. These methods may require subjective determinations about the value of the security.

While the Fund's policy is intended to result in a calculation of the Fund's NAV that fairly reflects security values as of the time of pricing, the Fund cannot guarantee that values determined by the Board or persons acting at their direction would accurately reflect the price that the Fund could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Fund may differ from the value that would be realised if the securities were sold.

4. CASH, SECURITIES AND OTHER INVESTMENTS

(a) Cash and Other Liquid Assets Cash and other liquid assets are valued at their face value with interest accrued, where applicable. All cash at bank balances are held either by State Street Bank and Trust Co or directly with a sub-custodian.

(b) Delayed-Delivery Transactions Certain Funds may purchase or sell securities on a delayed-delivery basis. These transactions involve a commitment by a Fund to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed-delivery transactions are outstanding, a Fund will designate or receive as collateral liquid assets in an amount sufficient to meet the purchase price or respective obligations. When purchasing a security on a delayed-delivery basis, a Fund assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into account when determining its NAVs. A Fund may dispose of or renegotiate a delayed-delivery transaction after it is entered into, which may result in a realised gain or loss. When a Fund has sold a security on a delayed-delivery basis, the Fund does not participate in future gains and losses with respect to the security.

(c) Exchange-Traded Funds Certain Funds may invest in exchange-traded funds ("ETFs"), which typically are index-based investment companies that hold substantially all of their assets in securities representing their specific index, but may also be actively-managed investment companies. Shares of ETFs trade throughout the day on an exchange and represent an investment in a portfolio of securities and assets.

(d) Inflation-Indexed Bonds Certain Funds may invest in inflation indexed bonds. Inflation-indexed bonds are fixed income securities whose principal value is periodically adjusted to the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value, which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity.

(e) Loan Participations and Assignments Certain Funds may invest in direct debt instruments which are interests in amounts owed to lenders or lending syndicates by corporate, governmental, or other borrowers. A Fund's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties. A loan is often administered by a bank or other financial institution (the "lender") that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. A Fund may invest in multiple series or tranches of a loan, which may have varying terms and carry different associated risks. When a Fund purchases assignments from lenders it acquires direct rights against the borrower of the loans. These loans may include participations in bridge loans, which are loans taken out by borrowers for a short period (typically less than one year) pending arrangement of more permanent financing through, for example, the issuance of bonds, frequently high yield bonds issued for the purpose of acquisitions.

The types of loans and related investments in which a Fund may invest include, among others, senior loans, subordinated loans (including second lien loans, B-Notes and mezzanine loans), whole loans, commercial real estate and other commercial loans and structured loans. In the case of subordinated loans, there may be significant indebtedness ranking ahead of the borrower's obligation to the holder of such a loan, including in the event of the borrower's insolvency. Mezzanine loans are typically secured by a pledge of an equity interest in the mortgage borrower that owns the real estate rather than an interest in a mortgage.

Investments in loans may include unfunded loan commitments, which are contractual obligations for funding. Unfunded loan commitments may include revolving credit facilities, which may obligate the Funds to supply additional cash to the borrower on demand. Unfunded loan commitments represent a future obligation in full, even though a percentage of the committed amount may not be utilised by the borrower. When investing in a loan participation, a Fund has the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the loan agreement and only upon receipt of payments by the lender from the borrower. A Fund may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a floating rate loan. In certain circumstances, a Fund may receive a penalty fee upon the

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prepayment of a floating rate loan by a borrower. Fees earned or paid are recorded as a component of interest income or interest expense, respectively, on the Statement of Operations.

As of 31 March 2019 and 31 March 2018, the Funds had no unfunded loan commitments outstanding.

(f) Mortgage Related and Other Asset-Backed Securities Certain Funds may invest in mortgage related and other asset-backed securities that directly or indirectly represent a participation in, or are secured by and payable from, loans on real property. Mortgage related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. These securities provide a monthly payment which consists of both interest and principal. Interest may be determined by fixed or adjustable rates. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage related security, and may have the effect of shortening or extending the effective duration of the security relative to what was anticipated at the time of purchase. The timely payment of principal and interest of certain mortgage related securities is guaranteed with the full faith and credit of the US Government. Pools created and guaranteed by non-governmental issuers, including government-sponsored corporations, may be supported by various forms of insurance or guarantees, but there can be no assurance that private insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Many of the risks of investing in mortgage related securities secured by commercial mortgage loans reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make lease payments, and the ability of a property to attract and retain tenants. These securities may be less liquid and may exhibit greater price volatility than other types of mortgage related or other asset-backed securities. Other asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans.

(g) Collateralised Mortgage Obligations ("CMOs") are debt obligations of a legal entity that are collateralised by whole mortgage loans or private mortgage bonds and divided into classes. CMOs are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including prepayments. CMOs may be less liquid and may exhibit greater price volatility than other types of mortgage related or asset-backed securities.

(h) Stripped Mortgage-Backed Securities ("SMBS") are derivative multi-class mortgage securities. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. A SMBS will have one class that will receive all of the interest (the interest-only or "IO" class), while the other class will receive the entire principal (the principal-only or "PO" class). Payments received for IOs are included in interest income on the Statement of Operations. Because no principal will be received at the maturity of an IO, adjustments are made to the cost of the security on a monthly basis until maturity. These adjustments are included in interest income on the Statement of Operations. Payments received for POs are treated as reductions to the cost and par value of the securities.

(i) Collateralised Debt Obligations ("CDOs") include Collateralised Bond Obligations ("CBOs"), Collateralised Loan Obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of assetbacked securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralised by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which a Fund invests. In addition to the normal risks associated with fixed income securities discussed elsewhere in this report and the Company's Prospectus and statement of additional information (e.g., prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates)), CBOs, CLOs and other CDOs carry additional risks including, but not limited to, (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments, (ii) the quality of the collateral may decline in value or default, (iii) a Fund may invest in CBOs, CLOs, or other CDOs that are subordinate to other classes, and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

(j) Payment In-Kind Securities Certain Funds may invest in payment in-kind securities ("PIKs"). PIKs may give the issuer the option at each interest payment date of making interest payments in either cash or additional debt securities. Those additional debt securities usually have the same terms, including maturity dates and interest rates, and associated risks as the original bonds. The daily market quotations of the original bonds may include the accrued interest (referred to as a "dirty price") which is reflected as a component of Financial Assets at fair value through profit or loss on Transferable Securities on the Statement of Assets and Liabilities.

(k) Repurchase Agreements Certain Funds may engage in repurchase agreements. Under the terms of a typical repurchase agreement, a Fund takes possession of an underlying debt obligation (collateral) subject to an obligation of the seller to repurchase, and a Fund to resell, the obligation at an agreed-upon price and time. The market value of the collateral must be equal to or exceed the total amount of the repurchase obligations, including interest. Repurchase agreements, including accrued interest, are included on the Statement of Assets and Liabilities. Interest earned is recorded as a component of interest income on the Statement of Operations. In periods of increased demand for collateral, a Fund may pay a fee for receipt of collateral, which may result in interest expense to the Fund.

(l) Reverse Repurchase Agreements Certain Funds may enter into reverse repurchase agreements. In a reverse repurchase agreement, a Fund delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. A Fund is entitled to receive principal and interest payments, if any, made on the

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security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by a Fund to counterparties are reflected as a liability on the Statement of Assets and Liabilities. Interest payments made by a Fund to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, a Fund may receive a fee for use of the security by the counterparty, which may result in interest income to a Fund. A Fund will segregate assets determined to be liquid by the Investment Advisors or will otherwise cover its obligations under reverse repurchase agreements.

(m) US Government Agencies or Government-Sponsored Enterprises Certain Funds may invest in securities of US Government agencies or government-sponsored enterprises. US Government securities are obligations of and, in certain cases, guaranteed by, the US Government, its agencies or instrumentalities. Some US Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association (“GNMA” or “Ginnie Mae”), are supported by the full faith and credit of the US Government; others, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the US Department of the Treasury (the “US Treasury”); and others, such as those of the Federal National Mortgage Association (“FNMA” or “Fannie Mae”), are supported by the discretionary authority of the US Government to purchase the agency’s obligations. US Government securities may include zero coupon securities. Zero coupon securities do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities.

Government-related guarantors (i.e., not backed by the full faith and credit of the US Government) include FNMA and the Federal Home Loan Mortgage Corporation (“FHLMC” or “Freddie Mac”). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the US Government. FHLMC issues Participation Certificates (“PCs”), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the US Government.

A Fund may engage in strategies where it seeks to extend the expiration or maturity of a position, such as a To Be Announced (“TBA”) security on an underlying asset, by closing out the position before expiration and opening a new position with respect to the same underlying asset with a later expiration date. TBA securities purchased or sold are reflected on the Statement of Assets and Liabilities as an asset or liability, respectively.

(n) When-Issued Transactions Certain Funds may purchase or sell securities on a when-issued basis. These transactions are made conditionally because a security, although authorised, has not yet been issued in the market. A commitment is made by a Fund to purchase or sell these securities for a predetermined price or yield, with payment and

delivery taking place beyond the customary settlement period. A Fund may sell when-issued securities before they are delivered, which may result in a realised gain or loss.

(o) Sale-Buybacks Certain Funds may enter into financing transactions referred to as ‘sale-buybacks’. A sale-buyback transaction consists of a sale of a security by a Fund to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed-upon price and date. A Fund is not entitled to receive principal and interest payments, if any, made on the security sold to the counterparty during the term of the agreement. The agreed-upon proceeds for securities to be repurchased by a Fund are reflected as a liability on the Statement of Assets and Liabilities. A Fund will recognise net income represented by the price differential between the price received for the transferred security and the agreed-upon repurchase price. This is commonly referred to as the ‘price drop’. A price drop consists of (i) the foregone interest and inflationary income adjustments, if any, a Fund would have otherwise received had the security not been sold and (ii) the negotiated financing terms between a Fund and counterparty. Foregone interest and inflationary income adjustments, if any, are recorded as components of interest income on the Statement of Operations. Interest payments based upon negotiated financing terms made by a Fund to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, a Fund may receive a fee for use of the security by the counterparty, which may result in interest income to a Fund. A Fund will segregate assets determined to be liquid by the Investment Advisors or will otherwise cover its obligations under sale-buyback transactions.

5. FINANCIAL DERIVATIVE INSTRUMENTS

The following disclosures contain information on how and why the Funds use financial derivative instruments and how financial derivative instruments affect the Funds’ financial position, results of operations and cash flows. The financial derivative instruments outstanding as of period end, as disclosed in the Schedule of Investments, and the amounts of realised and changes in unrealised gains and losses on financial derivative instruments during the period, as disclosed in the Statement of Operation, serve as indicators of the volume of financial derivative activity for the Funds.

(a) Forward Foreign Currency Contracts Certain Funds may enter into forward foreign currency contracts in connection with settling planned purchases or sales of securities, to hedge the currency exposure associated with some or all of a Fund’s securities or as a part of an investment strategy. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The fair value of a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily, and the change in value is recorded by a Fund as an unrealised gain or loss. Realised gains or losses are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed and are recorded upon delivery or receipt of the currency. These contracts may involve market risk in excess of the unrealised gain or loss reflected on the Statement of Assets and Liabilities. In addition, a Fund could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency

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changes unfavourably to the functional currency. To mitigate such risk, cash or securities may be exchanged as collateral pursuant to the terms of the underlying contracts.

For Class level hedges, the realised and unrealised gains or losses are allocated solely to the relevant share classes. The unrealised gains or losses are reflected as a component of financial derivative instruments on the Statement of Assets and Liabilities. In connection with these contracts, securities may be identified as collateral in accordance with the terms of the respective contracts.

(b) Futures Contracts Certain Funds may enter into futures contracts. A Fund may use futures contracts to manage its exposure to the securities markets or to movements in interest rates and currency values. The primary risks associated with the use of futures contracts are the imperfect correlation between the change in market value of the securities held by a Fund and the prices of futures contracts and the possibility of an illiquid market. Futures contracts are valued based upon their quoted daily settlement prices. Upon entering into a futures contract, a Fund is required to deposit with its futures broker an amount of cash, US Government and Agency Obligations, or select sovereign debt, in accordance with the initial margin requirements of the broker or exchange. Futures contracts are marked to market daily and based on such movements in the price of the contracts, an appropriate payable or receivable for the change in value may be posted or collected by the Fund ("Financial Derivatives Margin"). Gains or losses are recognised but not considered realised until the contracts expire or close. Futures contracts involve, to varying degrees, risk of loss in excess of the Financial Derivatives Margin included on the Statement of Assets and Liabilities.

(c) Options Contracts Certain Funds may write or purchase options to enhance returns or to hedge an existing position or future investment. A Fund may write call and put options on securities and financial derivative instruments they own or in which they may invest. Writing put options tends to increase a Fund's exposure to the underlying instrument. Writing call options tends to decrease a Fund's exposure to the underlying instrument. When a Fund writes a call or put, an amount equal to the premium received is recorded as a liability and subsequently marked to market to reflect the current value of the option written. These liabilities are included on the Statement of Assets and Liabilities. Premiums received from writing options which expire are treated as realised gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying futures, swap, security or currency transaction to determine the realised gain or loss. Certain options may be written with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. A Fund as a writer of an option has no control over whether the underlying instrument may be sold ("call") or purchased ("put") and as a result bears the market risk of an unfavourable change in the price of the instrument underlying the written option. There is the risk a Fund may not be able to enter into a closing transaction because of an illiquid market.

A Fund may also purchase put and call options. Purchasing call options tends to increase a Fund's exposure to the underlying instrument. Purchasing put options tends to decrease a Fund's exposure to the

underlying instrument. A Fund pays a premium which is included as an asset on the Statement of Assets and Liabilities and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realised losses. Certain options may be purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realised gain or loss when the underlying transaction is executed.

Options on Exchange-Traded Futures Contracts Certain Funds may write or purchase options on exchange-traded futures contracts ("Futures Option") to hedge an existing position or future investment, for speculative purposes or to manage exposure to market movements. A Futures Option is an option contract in which the underlying instrument is a single futures contract.

Options on Commodity Futures Contracts Certain Funds may write or purchase options on commodity futures contracts ("Commodity Option"). The underlying instrument for the Commodity Option is not the commodity itself, but rather a futures contract for that commodity. The exercise for a Commodity Option will not include physical delivery of the underlying commodity but will rather settle the amount of the difference between the current market value of the underlying futures contract and the strike price directly into a Fund's custody account. For an option that is in-the-money, a Fund will normally offset its position rather than exercise the option to retain any remaining time value.

Credit Default Swaptions Certain Funds may write or purchase credit default swaptions to hedge exposure to the credit risk of an investment without making a commitment to the underlying instrument. A credit default swaption is an option to sell or buy credit protection to a specific reference by entering into a pre-defined swap agreement by some specified date in the future.

Foreign Currency Options Certain Funds may write or purchase foreign currency options. Purchasing foreign currency options gives a Fund the right, but not the obligation to buy or sell the specified amounts of currency at a rate of exchange that may be exercised by a certain date. These options may be used as a short or long hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Interest Rate Swaptions Certain Funds may write or purchase interest rate swaptions which are options to enter into a pre-defined swap agreement by some specified date in the future. The writer of the swaption becomes the counterparty to the swap if the buyer exercises. The interest rate swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer upon exercise.

Options on Securities Certain Funds may write or purchase options on securities. An option uses a specified security as the underlying instrument for the option contract. A Fund may write or purchase options to enhance returns or to hedge an existing position or future investment.

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(d) Swap Agreements Certain Funds may invest in swap agreements. Swap agreements are bilaterally negotiated agreements between a Fund and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements are privately negotiated in the over-the-counter market ("OTC swaps") or may be executed in a multilateral or other trade facility platform, such as a registered exchange ("centrally cleared swaps"). A Fund may enter into asset, credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency, interest rate, commodity, equity and inflation risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Centrally cleared swaps are marked to market daily based upon valuations as determined from the underlying contract or in accordance with the requirements of the central counterparty or derivatives clearing organisation. Changes in market value, if any, are reflected as a component of net change in unrealised appreciation/(depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps ("Financial Derivatives Margin"), if any, are recorded as a receivable or payable for the change in value as appropriate on the Statement of Assets and Liabilities. OTC swap payments received or paid at the beginning of the measurement period are included on the Statement of Assets and Liabilities and represent premiums paid or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). Upfront premiums received (paid) are initially recorded as liabilities (assets) and subsequently marked to market to reflect the current value of the swap. These upfront premiums are recorded as realised gains or losses on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realised gain or loss on the Statement of Operations. Net periodic payments received or paid by a Fund are included as part of realised gains or losses on the Statement of Operations.

For purposes of applying a Fund's investment policies and restrictions, swap agreements are generally valued by the Fund at market value. In the case of a credit default swap (see below), however, in applying certain of the Fund's investment policies and restrictions, the Fund will value the credit default swap at its notional value or its full exposure value (i.e., the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Fund's other investment policies and restrictions. For example, a Fund may value credit default swaps at full exposure value for purposes of the Fund's credit quality guidelines (if any) because such value reflects the Fund's actual economic exposure during the term of the credit default swap agreement. In this context, both the notional amount and the market value may be positive or negative depending on whether the Fund is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by the Fund for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

Entering into these agreements involves, to varying degrees, elements of interest, credit, market and documentation risk in excess of the amounts recognised on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavourable changes in interest rates.

A Fund's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that amount is positive. The risk is mitigated by having a master netting arrangement between a Fund and the counterparty and by the posting of collateral to a Fund to cover a Fund's exposure to the counterparty.

Credit Default Swap Agreements Certain Funds may use credit default swaps on corporate, loan, sovereign, US municipal or US Treasury issues to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where a Fund owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event that the referenced entity, obligation or index, as specified in the swap agreement, undergoes a certain credit event. As a seller of protection on credit default swap agreements, the Fund will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, a Fund would effectively add leverage to its portfolio because, in addition to its total net assets, the Fund would be subject to investment exposure on the notional amount of the swap.

If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are estimated by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value. The ability to deliver other obligations may result in a cheapest-to-deliver option (the

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buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole.

These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardised terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. The Fund may use credit default swaps on credit indices to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are instruments for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilised in determining the market value of credit default swap agreements on corporate, loan, sovereign or US municipal issues as of period end are disclosed in the Schedule of Investments. They serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the referenced entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. For credit default swap agreements on asset backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that a Fund as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of each individual credit default swap agreement outstanding as of 31 March 2019 for which the Fund is the seller of protection are disclosed in the Schedule of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the

agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Fund for the same referenced entity or entities.

Interest Rate Swap Agreements Certain Funds are subject to interest rate risk exposure in the normal course of pursuing their investment objectives. Because a Fund holds fixed rate bonds, the value of these bonds may decrease if interest rates rise. To help hedge against this risk and to maintain its ability to generate income at prevailing market rates, a Fund may enter into interest rate swap agreements. Interest rate swap agreements involve the exchange by the Fund with another party for their respective commitment to pay or receive interest on the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap", (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor", (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the buyer pays an upfront fee in consideration for the right to early terminate the swap transaction in whole, at zero cost at a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different segments of money markets.

6. EFFICIENT PORTFOLIO MANAGEMENT

To the extent permitted by the investment objectives and policies of the Funds and subject to the limits set down by the Central Bank from time to time and to the provisions of the Prospectus, utilisation of financial derivative instruments and investment techniques shall be employed for efficient portfolio management purposes by all the Funds. The Funds may use these financial derivative instruments and investment techniques to hedge against changes in interest rates, non-functional currency exchange rates or securities prices or as part of their overall investment strategy.

The total interest income/(expense) arising from Repurchase Agreements during the financial year ended 31 March 2019 was €2,715,742/(€540,075) (31 March 2018 €1,345,214/(€395,018)).

The total interest income/(expense) arising from Reverse Repurchase Agreements during the financial year ended 31 March 2019 was €27,449/(€3,312,224) (31 March 2018 €14,575/(€900,452)).

The total interest income/(expense) arising from Sale-Buyback Transactions during the financial year ended 31 March 2019 was €Nil/(€826,258) (31 March 2018 €1,175/(€627,015)).

7. TAXATION

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its

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income or gains. However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the Fund in respect of chargeable events in respect of:

(a) A shareholder who is neither an Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Fund or the Fund has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and

(b) Certain exempted Irish tax resident Shareholders who have provided the Fund with the necessary signed statutory declarations.

The Finance Act 2010 provides that the Revenue Commissioners may grant approval for investment funds marketed outside of Ireland to make payments to non-resident investors without deduction of Irish tax where no relevant declaration is in place, subject to meeting the "equivalent measures". A Fund wishing to receive approval must apply in writing to the Revenue Commissioners, confirming compliance with the relevant conditions.

Dividends, interest and capital gains (if any) received on investments made by the Funds may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Funds or its Shareholders.

In accordance with the reporting fund regime introduced by the United Kingdom HM Revenue and Customs, each share class will be viewed as a separate "offshore Fund" for UK tax purposes. The reporting regime permits an offshore Fund to seek advance approval from HM Revenue and Customs to be treated as a reporting Fund. Once an offshore Fund has been granted "reporting Fund" status it will maintain that status for so long as it continues to satisfy the conditions to be a "reporting Fund", which include making reports to HM Revenue and Customs and investors for each year of account, without a requirement to apply for further certification by HM Revenue and Customs.

Each share class in the Company is treated as a "reporting Fund". This has been approved by HM Revenue and Customs.

8. DIVIDEND DISTRIBUTION POLICY

It is the current dividend distribution policy of the Company to pay to the holders of Income Class Shares the net investment income of the Funds, if any (which consists of income less expenses). Dividends paid in respect of any Income Class Shares in the Funds will be declared monthly and paid in cash after declaration. In the case of the PIMCO Covered Bond Source UCITS ETF dividends paid in respect of any Income Class Shares will be declared annually and paid in cash after declaration.

The net investment income allocated to Accumulation Class Shares of the Funds will neither be declared nor distributed but the NAV per Share of Accumulation Shares will be increased to take account of the net investment income.

Any dividend distribution unclaimed after a period of six years from the date of declaration of such dividend distribution shall be forfeited and shall revert to the account of the relevant Fund.

9. SOFT COMMISSIONS

The Company or its Investment Advisor may effect transactions on behalf of the Funds with or through the agency of execution brokers, which may, in addition to routine order execution, from time to time, provide to or procure for the Company or its delegates goods, services or other benefits such as research and advisory services. The Company or its Investment Advisor may pay these brokers full-service brokerage rates part of which may be applied in the provision of permitted goods or services. Those Investment Advisors which are MiFID investment firms shall pay for any third party research which it purchases relating to the management of the assets of each Fund directly out of its own resources.

10. SEGREGATED LIABILITY

Further to the relevant provisions of the Companies Act 2014, the Company has adopted segregated liability between Funds. Accordingly, any liability on behalf of or attributable to any Fund of the Company shall be discharged solely out of the assets of that Fund, and neither the Company nor any Director, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such Fund in satisfaction of any liability incurred on behalf of or attributable to any other Fund of the Company, irrespective of when such liability was incurred.

11. CHANGES TO THE PROSPECTUS AND TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

The Prospectus for the Company was consolidated and reissued on 1 October 2018. There has been no further update to the Memorandum and Articles of Association since 8 September 2016.

12. FEES AND EXPENSES

(a) Fees Payable to the Manager

The fees payable to PIMCO Global Advisors (Ireland) Ltd. (the "Manager") as set out in the Prospectus shall not exceed 2.50% per annum of the NAV of each class of each Fund.

(b) Management Fee

The Manager, in respect of each Fund and as described in further detail in the Prospectus, provides or procures investment advisory, administration, depositary and other services in return for which each Fund pays a single Management Fee to the Manager. The Management Fee (as defined in the Prospectus) for each Fund is accrued on each Dealing Day (as defined in the relevant Fund's Supplement) and is payable monthly in arrears. The Manager may pay the Management Fee in full or in part to the Investment Advisors in order to pay for the investment advisory and other services provided by the Investment Advisors and in order for the Investment Advisors to pay for administration, depositary and other services procured for the Funds by the Manager.

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Notes to the Financial Statements (Cont.)

The Management Fee for each class of each Fund (expressed as a per annum percentage of its NAV) is as follows:

Fund	CHF (Hedged) Income/ Accumulation Class	EUR Income/ Accumulation Class	EUR (Hedged) Income/ Accumulation Class	GBP Income/ Accumulation Class	GBP (Hedged) Income/ Accumulation Class	USD Income/ Accumulation Class
PIMCO Covered Bond Source UCITS ETF	N/A	0.43%	N/A	N/A	N/A	N/A
PIMCO Sterling Short Maturity Source UCITS ETF	N/A	N/A	N/A	0.35%	N/A	N/A

Given the fixed nature of the Management Fee, the Manager, and not Shareholders, takes the risk of any price increases in the cost of the services covered by the Management Fee and takes the risk of expense levels relating to such services increasing above the Management Fee as a result of a decrease in net assets. Conversely, the Manager, and not Shareholders, would benefit from any price decrease in the cost of services covered by the Management Fee, including decreased expense levels, as a percentage of net assets, resulting from an increase in net assets.

(c) Investment Advisory Services

On behalf of the Company, the Manager provides and/or procures investment advisory services. Such services include the investment and reinvestment of the assets of each Fund. The fees of the Investment Advisors (together with VAT, if any thereon) are paid by the Manager from the Management Fee.

(d) Administration, Depositary Services and Other Services

On behalf of the Company, the Manager provides and/or procures administration, depositary and other services. Such services include administration, transfer agency, fund accounting, depositary and sub-depositary in respect of each Fund. The fees and expenses of the Administrator and Depositary (together with VAT, if any thereon) are paid by the Manager from the Management Fee, or by the Investment Advisors.

On behalf of the Company, the Manager provides and/or procures certain other services. These may include listing broker services, paying agent and other local representative services, accounting, audit, legal and other professional adviser services, Company secretarial services, printing, publishing and translation services, and the provision and co-ordination of certain supervisory, administrative and shareholder services necessary for operation of the Funds. Fees and any ordinary expenses in relation to these services

(e) Transactional Fees

The Directors may, at their discretion, impose the following transaction fees on Shareholders:

Fund	Subscription/Redemption Transaction Fee	Exchange Transaction Fee	In-kind Transaction Fee	Mix Fee
PIMCO Covered Bond Source UCITS ETF	up to 3%	up to 1%	€ Up to 1,000	Up to €1,000 in-kind Transaction Fee plus a maximum of 3% on any cash portion
PIMCO Sterling Short Maturity Source UCITS ETF	up to 3%	up to 1%	£ Up to 1,000	£500 plus a maximum of 3% on any cash portion

(together with VAT, if any thereon) will be paid by the Manager, or by the Investment Advisors on behalf of the Manager, from the Management Fee.

The Funds will bear other expenses related to their operation that are not covered by the Management Fee which may vary and affect the total level of expenses within the Funds including, but not limited to, taxes and governmental fees, brokerage fees, commissions and other transaction expenses, costs of borrowing money including interest expenses, establishment costs, extraordinary expenses (such as litigation and indemnification expenses) and fees and expenses of the Company's Independent Directors and their counsel.

The Company paid Directors' fees of €41,050 during the financial year ended 31 March 2019 (31 March 2018 €28,000). In addition, each Independent Director is reimbursed for any reasonable out-of-pocket expenses. Directors' fees are a component of "Other expenses" on the Statement of Operations.

The following table sets out the fees the Company was charged by the statutory auditors during the years ended 31 March 2019 and 31 March 2018:

Auditors' Remuneration	31 March 2019	31 March 2018
Audit of entity financial statements	€ 64,684	€ 56,030
Other assurance services	–	74,524
Tax advisory services	–	–
Other non-audit services	–	–

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Notes to the Financial Statements (Cont.)

(f) Expense Limitation (including Management Fee Waiver and Recoupment)

The Manager has agreed with the Company, pursuant to the Management Agreement between the Company and the Manager dated as of 09 December 2010, as amended, to manage total annual Fund operating expenses for any Class of a Fund, by waiving, reducing or reimbursing all or any portion of its Management Fee, to the extent that (and for such period of time that) such operating expenses would exceed, due to the payment of pro rata Directors' fees, the sum of such Class of such Fund's Management Fee (prior to the application of any applicable Management Fee waiver), as applicable, and other expenses borne by such Fund's share class not covered by the Management Fee as described above (other than pro rata Directors' fees), plus 0.0049% per annum (calculated on a daily basis based on the NAV of the Fund).

During the financial years ended 31 March 2019 and 31 March 2018 the Funds below engaged in purchases and sales of securities among affiliated Funds and purchases and sales relating to cross investments (amounts in thousands):

Fund	31 March 2019		31 March 2018	
	Purchases	Sales	Purchases	Sales
PIMCO Covered Bond Source UCITS ETF	€ 10,090	€ 4,579	€ 2,549	€ 10,240
PIMCO Sterling Short Maturity Source UCITS ETF	9,997	–	37,134	–

The following table reflects the outstanding shares owned by PIMCO Funds: Global Investors Series plc, PIMCO Select Funds plc and PIMCO Cayman Trust, related parties of the Company, as at 31 March 2019 and 31 March 2018:

Fund	31 March 2019 % owned	31 March 2018 % owned
PIMCO Sterling Short Maturity Source UCITS ETF	33.87	21.67

14. EXCHANGE RATES

For the purposes of combining the financial statements of the Funds, to arrive at Company figures (required under Irish Company law), the amounts on the Statement of Assets and Liabilities have been translated at the exchange rate ruling at 31 March 2019 from US Dollar to Euro (USD/EUR 0.89059) (31 March 2018 USD/EUR 0.81311) and British Pound Sterling to

In any month in which the Management Agreement is in effect, the Manager may recoup from a Fund any portion of the Management Fee waived, reduced or reimbursed pursuant to the Management Agreement (the "Reimbursement Amount") during the previous 36 months, provided that such amount paid to the Manager will not: 1) exceed 0.0049% per annum of the Class of the applicable Fund's average net assets (calculated on a daily basis); 2) exceed the total Reimbursement Amount; 3) include any amounts previously reimbursed to the Manager; or 4) cause any Class of a Fund to maintain a net negative yield.

13. RELATED PARTY TRANSACTIONS

The Manager, Investment Advisors, Distributor and Directors are related parties. Fees payable to these parties are disclosed in note 12.

Euro (GBP/EUR 1.16048) (31 March 2018 GBP/EUR 1.14063). The amounts on the Statement of Operations and Statement of Changes in Net Assets have been translated at an average exchange rate for the year ending 31 March 2019 from US Dollar to Euro (USD/EUR 0.86410) (31 March 2018 USD/EUR 0.85580) and British Pound Sterling to Euro (GBP/EUR 1.13411) (31 March 2018 GBP/EUR 1.13385).

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The following tables reflect the exchange rates used at 31 March 2019 and 31 March 2018 to convert the Euro balances. They were also used to convert the investments and other assets and liabilities denominated in currencies other than Euro:

Foreign currency	31 March 2019 Presentation Currency		
	EUR	GBP	USD
ARS	N/A	N/A	43.40900
AUD	1.58070	N/A	1.40776
BRL	N/A	N/A	3.89170
CAD	1.50007	1.74081	N/A
CHF	1.11825	1.29771	0.99590
CLP	N/A	N/A	680.47500
CNH	N/A	N/A	6.72065
CNY	N/A	N/A	6.72020
COP	N/A	N/A	3,185.48000
CZK	25.83099	N/A	N/A
DKK	7.46544	N/A	N/A
EUR (or €)	1.00000	1.16048	0.89059
GBP (or £)	0.86171	1.00000	0.76743
IDR	N/A	N/A	14,240.00000
INR	N/A	N/A	69.27500
JPY (or ¥)	124.28264	N/A	110.68500
MXN	21.78048	N/A	19.39750
MYR	N/A	N/A	4.08250
PHP	N/A	N/A	52.51000
PLN	N/A	N/A	3.83385
RUB	N/A	N/A	65.69750
SEK	10.41477	12.08618	N/A
SGD	N/A	N/A	1.35450
THB	N/A	N/A	31.73500
TRY	N/A	N/A	5.64960
USD (or \$)	1.12285	1.30305	1.00000
ZAR	N/A	N/A	14.42125

Foreign currency	31 March 2018 Presentation Currency		
	EUR	GBP	USD
ARS	N/A	N/A	20.13200
AUD	1.60335	N/A	1.30370
BRL	N/A	N/A	3.32360
CAD	N/A	1.80856	N/A
CHF	1.17770	1.34332	0.95760
CLP	N/A	N/A	603.56500
CNH	N/A	N/A	6.28405
CNY	N/A	N/A	6.29170
COP	N/A	N/A	2,793.10000
CZK	25.38497	N/A	N/A
DKK	7.45400	N/A	N/A
EUR (or €)	1.00000	1.14063	0.81311
GBP (or £)	0.87671	1.00000	0.71286
IDR	N/A	N/A	13,767.50000
INR	N/A	N/A	65.22170
JPY (or ¥)	130.79459	149.18778	106.35000
MXN	22.44907	N/A	18.25350
MYR	N/A	N/A	3.86800
PHP	N/A	N/A	52.17750
PLN	N/A	N/A	3.42530
RUB	N/A	N/A	57.50000
SEK	10.29975	11.74817	N/A
SGD	N/A	N/A	1.31130
THB	N/A	N/A	31.27000
TRY	N/A	N/A	3.96140
USD (or \$)	1.22985	1.40280	1.00000
ZAR	N/A	N/A	11.84875

15. FINANCIAL RISKS

The main risks arising from the Company's financial instruments are market price, foreign currency, interest rate, liquidity and credit and counterparty risks.

(a) Market Price Risk Market risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Fund might suffer through holding market positions in the face of adverse price movements. The Investment Advisors consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Funds' investment objectives.

The Investment Advisors use a number of quantitative techniques to assess the impact of market risks including credit events, changes in interest rates, credit spreads and recovery values on the Funds' investment portfolio.

The Investment Advisors use Value at Risk ("VaR") analysis, a technique widely used by financial institutions to quantify, assess, and report market risk. VaR is a statistical framework that supports the quantification of market risk within a portfolio at a specified confidence interval over a defined holding period. Certain Funds may use the Relative VaR model or Absolute VaR model. Where the Relative VaR model is used, the VaR of a Fund's portfolio will not exceed twice the VaR on a comparable benchmark portfolio or reference portfolio (i.e. a similar portfolio with no derivatives) which will reflect a Fund's intended investment style. Where the Absolute VaR model is used, the VaR of a Fund's portfolio may not exceed 20% of the Net Asset Value of a Fund and the holding period shall be 20 days and the length of the data history shall not be less than one year. VaR seeks to quantify the expected minimum, maximum and average dollar losses that may result from the interactive behaviour of all material market prices, spreads, volatilities, rates and other risks including foreign exchange,

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interest rate, emerging market and convexity risk based on the historically observed relationships between these markets.

Although the use of derivatives may give rise to an additional leveraged exposure, any such additional exposure will be covered and will be risk managed using the VaR methodology in accordance with the Central Bank's requirements. The Investment Advisors monitor portfolio risk using market factor exposures on a daily basis. Potential market risk is calculated using the parametric delta-normal or factor model approach. VaR is calculated and reported automatically each day using the closing prices and market information of the most recent business day. Depending on the application of the risk statistics, various confidence levels (such as 99%) and time horizons (weeks or months) might be selected.

Stress tests also are conducted relating to the VaR model for each Fund on a monthly basis. The PIMCO Risk Group oversees the composition of stress tests and makes appropriate adjustments when market conditions or Fund compositions make that appropriate. The stress tests estimate potential gains or losses from shocks to financial variables including nominal sovereign rates, nominal swap rates, real rates, credit spreads, equity valuations, commodity values, currency exchange rates, and implied volatilities. In addition to the monthly stress testing, three additional types of stress tests are also conducted, some of which are used daily and some of which are used for analysis interactively. The first are scenario duration tests that measure what happens to the value of the portfolio if unexpected movements in yields occur in the market. These durations are calculated every business day. The second test involves a database of historical crisis scenarios that can be executed to test reactions to these crises. The historical crisis scenarios contain many unexpected changes in market

The following tables set out the minimum, maximum, average and period end VaR of each Fund as at 31 March 2019 and 31 March 2018:

Fund	Methodology	Benchmark	31 March 2019			
			Min	Max	Average	Period end
PIMCO Covered Bond Source UCITS ETF	Absolute	N/A	1.28%	2.09%	1.59%	1.58%
PIMCO Sterling Short Maturity Source UCITS ETF	Absolute	N/A	0.19%	0.42%	0.29%	0.31%

Fund	Methodology	Benchmark	31 March 2018			
			Min	Max	Average	Period end
PIMCO Covered Bond Source UCITS ETF	Absolute	N/A	1.33%	2.48%	1.90%	1.81%
PIMCO Sterling Short Maturity Source UCITS ETF	Absolute	N/A	0.15%	0.34%	0.25%	0.29%

The Central Bank requires that all funds disclose a measure of leverage calculated on a gross notional exposure basis. The gross notional exposure figure is calculated using the sum of the absolute value of notionals of the derivatives (which is deemed to include certain forward settling trades), as is required by the Central Bank and as such does not take into account any netting and hedging arrangements that the Fund has in place at any time.

conditions and correlation matrices. The third test involves correlation matrices which can be manipulated manually to reflect conditions that may happen in the future but have not happened so far.

Calculations generally are done by using automated simulation methodologies. However, there are also methodologies to manually check what changes in the correlation matrices would have a big negative impact to the portfolios. These correlations changes can then be analysed and possible real world events that could bring about such changes can be assigned.

Of course, it cannot be ruled out that actual economic results will differ significantly from manually and automated scenarios.

The daily VaR measures are an estimate of the portfolio loss over the next one month period that would not be exceeded 99% of the time, relative to the assumptions of the VaR model.

Not all risks to which the portfolio may be exposed are intended to be captured by VaR and, in particular, the framework does not seek to capture liquidity risk, counterparty credit risk, or extreme credit events such as an issuer default. In practice, the actual trading results will differ from the VaR and may not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored to test the validity of the assumptions and parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that each Fund would withstand an extreme market event.

The use of derivatives (whether for hedging or investment purposes) may give rise to a higher gross notional exposure. The Funds' gross notional exposure is expected to increase to the higher levels, for example, at times when the Investment Advisors deem it most appropriate to use derivative instruments to alter the Funds' interest rate, currency or credit exposure.

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The following tables set out the average level of gross notional exposure for the Funds for the financial years ended 31 March 2019 and 31 March 2018:

Fund	31 March 2019	31 March 2018
PIMCO Covered Bond Source UCITS ETF	263.02%	317.08%
PIMCO Sterling Short Maturity Source UCITS ETF	37.65%	46.87%

(b) Foreign Currency Risk If the Funds invest directly in foreign currencies or in securities that trade in, and receive revenues in, foreign currencies, or in financial derivatives that provide exposure to foreign currencies, it will be subject to the risk that those currencies will decline in value relative to the functional currency of the Fund, or, in the case of hedging positions, that the Fund's functional currency will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention (or the failure to intervene) by US or foreign governments, central banks or supranational entities such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or

abroad. As a result, the Fund's investments in foreign currency denominated securities may reduce the returns of the Funds.

PIMCO Sterling Short Maturity Source UCITS ETF had no material foreign currency exposure at 31 March 2019 or at 31 March 2018.

The following table sets out the total exposure to foreign currency risk in currencies where foreign currency exposure is deemed material (i.e. where, all other variables being equal, the impact of a reasonably possible movement in the foreign exchange rate would result in a significant movement in the net assets) (amounts in thousands):

	PIMCO Covered Bond Source UCITS ETF					
	As at 31-Mar-2019			As at 31-Mar-2018		
	Total	Hedging	Net	Total	Hedging	Net
Danish Krone	€ 18,385	€ (14,535)	€ 3,850	€ 29,938	€ (61,669)	€ (31,731)
Swedish Krona	12,088	(11,967)	121	25,207	(19,994)	5,213
United States Dollar	15,157	(17,916)	(2,759)	17,862	(19,687)	(1,825)
	€ 45,630	€ (44,418)	€ 1,212	€ 73,007	€ (101,350)	€ (28,343)

(c) Interest Rate Risk Interest rate risk is the risk that fixed income securities will decline in value because of changes in interest rates. As nominal interest rates rise, the value of certain fixed income securities held by the Funds are likely to decrease. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Fixed income securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is useful primarily as a measure of the sensitivity of a fixed income's market price to interest rate (i.e. yield) movements.

All Funds invested primarily in fixed income instruments are exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows. These investments are disclosed in the Schedule of Investments. Any excess cash and cash equivalents are invested at short-term market interest rates.

The sensitivity of the Company's exposure to interest rate risk is included in the overall VaR calculations shown in note 15 (a).

(d) Liquidity Risk A Fund's exposure to liquidity risk is primarily affected by the redemption of shares that investors may wish to sell. Participating Shareholders may redeem some or all of their outstanding shares at any time without notice. Redeemable Shares are redeemed at the Shareholders demand and are included on the Statement of Assets and Liabilities. The Fund's assets are primarily comprised of readily realisable securities, which

can be readily sold to satisfy shareholder redemptions in accordance with the Prospectus. Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investments in illiquid securities may reduce returns of a Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Funds with principal investment strategies that involve foreign securities, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk.

The current known liabilities for the Funds are listed on the Statement of Assets and Liabilities and the majority of those liabilities are payable within three months with the exception of the financial derivative instrument liabilities and securities sold short. The expected payment dates for financial derivative instrument liabilities and securities sold short can be more than three months based on analysis of the remaining period at the reporting date to the maturity date.

Financial derivative instruments consist of the market value of forward foreign currency contracts, futures contracts, option contracts and swap agreements as at the period end. Financial derivative instruments are financial assets and liabilities that are held for trading, and are acquired principally for the purpose of selling in the short term. As the instruments are not expected to be held to maturity or termination, the current market value represents the estimated cash flow that may be required to dispose of the positions. Future cash flows of the Funds and realised liabilities may differ from current liabilities based on changes in market conditions.

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Notes to the Financial Statements (Cont.)

The Investment Advisors manage liquidity risk by monitoring the portfolios and considering investments deemed to be illiquid or not readily and easily sold, to ensure there are sufficient liquid assets to cover the outstanding liabilities of the Funds.

(e) Credit and Counterparty Risks The Funds will be exposed to credit risk to parties with whom they trade and will also bear the risk of settlement default. The Funds minimise concentrations of credit risk by undertaking transactions with a large number of customers and counterparties on recognised and reputable exchanges, where applicable. OTC derivative transactions are subject to the risk that a counterparty to the transaction will not fulfill its contractual obligations to the other party, as many of the protections afforded to centrally cleared derivative transactions might not be available for OTC derivative transactions. For financial derivatives instruments traded on exchanges or clearinghouses, the primary credit risk is the creditworthiness of the Fund's clearing broker or the exchange or clearinghouse itself. The Funds could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a financial derivatives instruments contract, repurchase agreement or a loan of portfolio securities, is unable or unwilling to make timely principal and/or interest payments, or to otherwise honour its obligations. Securities and financial derivative instruments are subject to varying degrees of credit risk, which are often reflected in credit ratings.

Similar to credit risk, the Funds may be exposed to counterparty risk, or the risk that an institution or other entity with which the Funds have unsettled or open transactions will default. PIMCO, as the Investment Advisors, minimise counterparty risks to the Fund through a number of ways. Prior to entering into transactions with a new counterparty, the PIMCO Counterparty Risk Committee conducts an extensive credit review of such counterparty and must approve the use of such counterparty. Furthermore, pursuant to the terms of the underlying contract, to the extent that unpaid amounts owed to a Fund exceed a predetermined threshold, such counterparty shall advance collateral to the Fund in the form of cash or securities equal in value to the unpaid amount owed to a Fund. The Funds may invest such collateral in securities or other instruments and will typically pay interest to the counterparty on the collateral received. If the unpaid amount owed to each Fund subsequently decreases, the Fund would be required to return to the counterparty all or a portion of the collateral previously advanced.

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

Master Netting Arrangements Certain Funds may be subject to various netting arrangements ("Master Agreements") with select counterparties. Master Agreements govern the terms of certain transactions, and reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardisation that improves legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organisation, resulting in the need

for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Funds to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single Master Agreement with a counterparty. For financial reporting purposes the Statement of Assets and Liabilities generally present derivative assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under most Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to \$250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and US Dollar cash are generally the preferred forms of collateral, although other forms of AAA rated paper or sovereign securities may be used depending on the terms outlined in the applicable Master Agreement. Securities and cash pledged as collateral are reflected as assets on the Statement of Assets and Liabilities as either a component of financial assets at fair value through profit or loss (Transferable securities) or Deposits with counterparty (cash). Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. The Fund's overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively "Master Repo Agreements") govern repurchase, reverse repurchase, and sale-buyback transactions between the Funds and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern certain forward settling transactions, such as To-Be-Announced securities, delayed-delivery or sale-buyback transactions by and between the Funds and select counterparties. The Master Forward Agreements maintain provisions for, among other things, initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral. The market value of forward settling transactions, collateral pledged or received, and the net exposure by counterparty as of period end is disclosed in the Notes to Schedule of Investments.

International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes ("ISDA Master Agreements") govern bilateral OTC derivative transactions entered into by the Funds with select counterparties. ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral and events of default or

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Notes to the Financial Statements (Cont.)

termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. In limited circumstances, the ISDA Master Agreement may contain additional provisions that add counterparty protection beyond coverage of existing daily exposure if the counterparty has a decline in credit quality below a predefined level. These amounts, if any, may be segregated with a third party depository. The market value of OTC financial derivative instruments, collateral received or pledged, and net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

The Investment Advisors conduct extensive research and analysis to identify and quantify credit risk within the Funds. Credit exposure within the Funds is reviewed frequently by the Investment Advisors to generate returns either through investments made or avoided. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings. The tables below summarise the credit rating composition for each of the Fund's Net Assets.

PIMCO Covered Bond Source UCITS ETF		
	31 March 2019	31 March 2018
Investment grade	100%	100%
Non-investment grade	0%	0%
Not rated	0%	0%
	100%	100%

PIMCO Sterling Short Maturity Source UCITS ETF		
	31 March 2019	31 March 2018
Investment grade	100%	100%
Non-investment grade	0%	0%
Not rated	0%	0%
	100%	100%

Substantially all of the Company's transferrable securities as of 31 March 2019 and 31 March 2018 are held on a fiduciary basis by State Street Custodial Services (Ireland) Limited ("Depository"). These assets are held in segregated accounts of each Fund (in accordance with Central Bank UCITS Regulations), reducing the credit risk of holding the assets in safekeeping. The Company will however be exposed to the credit risk of a credit institution holding its deposits.

The long term credit rating of State Street Corporation, the Depository's ultimate parent, as of 31 March 2019 was AA- (31 March 2018 was AA-) as issued by Fitch rating agency.

16. SHARE CAPITAL

(a) Authorised Shares

The authorised share capital of the Company is represented by 2 redeemable non-participating shares of no par value and 500,000,000,000 participating shares of no par value initially designated as unclassified shares.

(b) Subscriber Shares

The subscriber shares do not form part of the NAV of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the Board, this disclosure reflects the nature of the Company's business as an investment fund.

(c) Redeemable Participating Shares

The issued participating share capital is at all times equal to the NAV of the Funds. Redeemable participating shares are redeemable at the Shareholders option and are classified as financial liabilities. The movement in the number of participating shares for the years ending 31 March 2019 and 31 March 2018 are as follows (amounts are in thousands):

	PIMCO Covered Bond Source UCITS ETF	
	31 March 2019	31 March 2018
EUR Income		
Issued	463	570
Redeemed during the year	(1,103)	(979)
	(640)	(409)
	PIMCO Sterling Short Maturity Source UCITS ETF	
	31 March 2019	31 March 2018
GBP Income		
Issued	3,789	4,414
Redeemed during the year	(4,474)	(3,463)
	(685)	951

17. NET ASSET VALUES

Each Fund's net assets attributable to redeemable participating Shareholders, shares issued and outstanding and net asset value per share for the last three periods are as follows (amounts are in thousands, except per share amounts). Net Assets divided by Shares issued and outstanding may not equal the NAV per share due to rounding

	PIMCO Covered Bond Source UCITS ETF		
	31 March 2019	31 March 2018	31 March 2017
Net assets	€ 100,512	€ 170,619	€ 212,827
EUR Income	€ 100,512	€ 170,619	€ 212,827
Shares issued and outstanding	910	1,550	1,959
NAV per share	€ 110.50	€ 110.11	€ 108.66

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Notes to the Financial Statements (Cont.)

	PIMCO Sterling Short Maturity Source UCITS ETF		
	31 March 2019	31 March 2018	31 March 2017
Net assets	£ 217,837	£ 287,120	£ 190,318
GBP Income	£ 217,837	£ 287,120	£ 190,318
Shares issued and outstanding	2,136	2,821	1,870
NAV per share	£ 102.00	£ 101.77	£ 101.75

18. REGULATORY AND LITIGATION MATTERS

The Company is not named as a defendant in any material litigation or arbitration proceedings and is not aware of any material litigation or claim pending or threatened against it.

The foregoing speaks only as of the date of this report.

19. SECURITIES FINANCING TRANSACTIONS REGULATION

Securities Financing Transactions Regulation ("SFTR") introduces reporting and disclosure requirements for securities financing transactions ("SFTs") and total return swaps. SFTs are specifically defined as per Article 3(11) of the SFTR as follows:

- a repurchase/reverse repurchase agreement
- securities or commodities lending/borrowing
- a buy-sellback or sale-buyback transaction
- a margin lending transaction

(a) Global Data and Concentration of SFT Counterparties

As at 31 March 2019 the Funds held the following types of SFTs:

- Repurchase Agreements
- Reverse Repurchase Agreements
- Sale-Buyback Transactions
- Total Return Swaps

The fair value of assets/(liabilities) across all SFTs and total return swaps as at 31 March 2019, grouped by SFT type and the ten largest counterparties are as follows.

If fewer than ten counterparties are used then all counterparties are detailed.

Fund	31-Mar-2019	
	Fair value (000S)	% of Net Assets
PIMCO Covered Bond Source UCITS ETF		
Repurchase Agreements		
SSB	€ 77	0.08
PIMCO Sterling Short Maturity Source UCITS ETF		
Repurchase Agreements		
BRC	£ 34,000	15.61

As at 31 March 2018 the Funds held the following types of SFTs:

- Repurchase Agreements
- Reverse Repurchase Agreements
- Sale-buyback Transactions

The fair value of assets/(liabilities) across all SFTs as at 31 March 2018, grouped by SFT type and the ten largest counterparties are as follows.

If fewer than ten counterparties are used then all counterparties are detailed.

Fund	31-Mar-2018	
	Fair value (000S)	% of Net Assets
PIMCO Covered Bond Source UCITS ETF		
Repurchase Agreements		
IND	€ 4,100	2.40
SSB	9	0.01
Total	4,109	2.41
PIMCO Sterling Short Maturity Source UCITS ETF		
Repurchase Agreements		
BRC	£ 19,000	6.62

(b) Collateral

i) Safekeeping of Collateral Received:

Collateral received as at 31 March 2019 and 31 March 2018 is held within the custodial network of State Street Bank and Trust as agent for the Depository.

ii) Concentration Data:

The ten largest issuers for collateral securities received across all SFTs and total return swaps as at 31 March 2019 is as follows. If there are fewer than ten issuers then all issuers are detailed below:

Fund	31-Mar-2019	
	Collateral Issuer	Fair Value (000S)
PIMCO Covered Bond Source UCITS ETF	United States Government	€ 80
PIMCO Sterling Short Maturity Source UCITS ETF	United Kingdom Government	£ 33,636

The ten largest issuers for collateral securities received across all SFTs as at 31 March 2018 is as follows. If there are fewer than ten issuers then all issuers are detailed below:

Fund	31-Mar-2018	
	Collateral Issuer	Fair Value (000S)
PIMCO Covered Bond Source UCITS ETF	European Investment Bank	\$ 4,087
	United States Government	12
PIMCO Sterling Short Maturity Source UCITS ETF	United Kingdom Gilt	£ 19,643

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Notes to the Financial Statements (Cont.)

iii) Aggregate Transaction Data:

The aggregate transaction data for collateral positions received across all STFs and total return swaps as at 31 March 2019 is as follows:

Fund	Security Type	Collateral Description	Type of Collateral	Fair Value (000S)	Quality	Maturity Tenor of Collateral	Currency of Collateral	Country of Counterparty Establishment	Settlement and Clearing
PIMCO Covered Bond Source UCITS ETF	Repurchase Agreements	U.S. Treasury Notes	Treasury	€ 80	AAA	Above 1 Year	USD	United States	FED, Bilateral
PIMCO Sterling Short Maturity Source UCITS ETF	Repurchase Agreements	United Kingdom Gilt	Treasury	£ 33,636	AA	Above 1 Year	GBP	United Kingdom	FED, Bilateral

The aggregate transaction data for collateral positions received across all STFs as at 31 March 2018 is as follows:

Fund	Security Type	Collateral Description	Type of Collateral	Fair Value (000S)	Quality	Maturity Tenor of Collateral	Currency of Collateral	Country of Counterparty Establishment	Settlement and Clearing
PIMCO Covered Bond Source UCITS ETF	Repurchase Agreements	European Investment Bank U.S. Treasury Notes	Supranational Treasury	€ 4,087 12	AAA AAA	Above 1 Year Above 1 Year	EUR USD	France United States	FED, Bilateral FED, Bilateral
PIMCO Sterling Short Maturity Source UCITS ETF	Repurchase Agreements	United Kingdom Gilt	Treasury	£ 19,643	AAA	Above 1 Year	GBP	United Kingdom	FED, Bilateral

The collateral market value for Repurchase Agreements does not include interest accrued. Master Forward Agreements covers a combination of Buy-sellback Transactions, Sale-Buyback Transactions and other financing transactions not included above. The total amount of the collateral received as at 31 March 2019 and 31 March 2018 for all transactions entered into under these Agreements is included above. It is not possible to separately analyse the collateral for each specific SFT.

No cash collateral was received by the Funds for SFTs as of 31 March 2019 or 31 March 2018.

During financial year ended 31 March 2018, cash collateral received into the custody account for the Funds, was not tracked specifically to determine if it was re-used. Therefore any cash collateral re-used cannot be reasonably verified.

iv) Data on Reuse of Collateral:

Securities received as collateral are not reused as of 31 March 2019 and 31 March 2018.

v) Safekeeping of Collateral Granted:

The collateral pledged by the Funds as of 31 March 2019 and 31 March 2018 is held by the counterparties in accounts other than segregated or pooled accounts.

(c) Returns/Costs

The tables below detail the data on returns and cost for each type of SFT and total return swaps for the financial years ended 31 March 2019 and 31 March 2018. Amounts are shown in the base currency of the Fund.

Financial Year Ended 31 March 2019

To Fund:	Repurchase Agreements		Reverse Repurchase Agreements		Buy-sellback Financing Transactions		Sale-buyback Financing Transactions	
	Returns (000S)	Costs (000S)	Returns (000S)	Costs (000S)	Returns (000S)	Costs (000S)	Returns (000S)	Costs (000S)
PIMCO Covered Bond Source UCITS ETF	€ 3	€ 7	€ –	€ –	€ –	€ –	€ –	€ –
PIMCO Sterling Short Maturity Source UCITS ETF	£ 154	£ –	£ –	£ –	£ –	£ –	£ –	£ –

Financial Year Ended 31 March 2018

To Fund:	Repurchase Agreements		Reverse Repurchase Agreements		Buy-sellback Financing Transactions		Sale-buyback Financing Transactions	
	Returns (000S)	Costs (000S)	Returns (000S)	Costs (000S)	Returns (000S)	Costs (000S)	Returns (000S)	Costs (000S)
PIMCO Covered Bond Source UCITS ETF	€ 1	€ 5	€ –	€ –	€ –	€ –	€ –	€ –
PIMCO Sterling Short Maturity Source UCITS ETF	£ 82	£ –	£ –	£ –	£ –	£ –	£ –	£ –

All returns from SFT derivative transactions will accrue to the Fund and are not subject to any returns sharing agreement with the Company's Manager or any other third parties.

For total return swaps transactions costs are not separately identifiable. For these investments, transaction costs are included in the purchase and sales

price and are part of the gross investment performance of each Fund. Returns are identified as the realised gains and change in unrealised gains on the swap contract during the reporting period which are included within Net realised gain/(loss) on financial derivative instruments and Net change in unrealised appreciation/(depreciation) on financial derivative instruments within the Statement of Operations.

PIMCO Fixed Income Source ETFs plc

Notes to the Financial Statements (Cont.)

20. SIGNIFICANT EVENTS

Michael J. Meagher resigned from the Board of Directors effective 24 July 2018.

Other than the above, there were no other significant events during the financial year.

21. SUBSEQUENT EVENTS

There were no subsequent events after the financial year end.

22. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 30 July 2019.

PIMCO Fixed Income Source ETFs plc

Directors' Report

The Directors present to the shareholders their audited financial statements for the financial year ended 31 March 2019.

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable Irish Law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council.

Under Irish law, the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DIRECTORS' COMPLIANCE STATEMENT

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act 2014). As required by Section 225(2) of the Companies Act 2014, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act 2014 and a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with

the Company's relevant obligations and have conducted a review during this financial year of any such arrangements or structures that have been put in place. In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

STATEMENT OF RELEVANT AUDIT INFORMATION

The Directors in office at the date of this report have each confirmed that:

- as far as he/she is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

RESULTS, ACTIVITIES AND FUTURE DEVELOPMENTS

The results of operations and dividends declared are set out on the Statement of Operations on page 8. A review of the Funds' investment performance and portfolio insights is contained on pages 4 through 5.

RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the financial risk management objectives and policies of the Company, and the exposure of the Company to market price risk, foreign currency risk, interest rate risk, liquidity risk and credit and counterparty risk are set out in note 15 in the Notes to Financial Statements.

SIGNIFICANT EVENTS

Michael J. Meagher resigned from the Board of Directors effective 24 July 2018.

Other than the above, there were no other significant events during the financial year.

POST BALANCE SHEET EVENTS

There were no other subsequent events after the financial year end.

ACCOUNTING RECORDS

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at State Street Fund Services (Ireland) Limited, 78 Sir John Rogerson's Quay, Dublin D02 HD32, Ireland.

DIVERSITY REPORT

The Manager, together with the Board, acknowledges the importance of diversity to enhance its operation. During the selection process the Manager and Board are committed to appointments made on merit, measured against objective criteria, with due regard for the benefits of diversity and reflecting the skills, knowledge and experience needed to ensure an effective board, while also ensuring compliance with applicable regulatory requirements (including the Central Bank Fund Management Companies Guidance, the Fitness and Probity Standards (Code issued under Section 50 of the Central Bank Reform Act 2010) and the Corporate

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Directors' Report (Cont.)

Governance Code for Collective Investment Schemes and Management Companies as adopted by the Funds).

The current composition of the Boards of the Manager and the Fund reflects the value which they place on diversity, comprising a mix of gender, a range of nationalities, differing professional backgrounds and age groups, and periodic reviews are conducted of board effectiveness, with diversity being a component of any such review.

CORPORATE GOVERNANCE STATEMENT

The Company is subject to and complies with Irish statute comprising the Companies Act 2014 and with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as may be amended (the "UCITS Regulations"), and the Listing Rules of Euronext Dublin. The Board of Directors (the "Board") have assessed the measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies, as published by the Irish Fund Industry Association in December 2011 (the "IFIA Code"). The Board has adopted all corporate governance practices and procedures of the IFIA Code.

The Board has assessed the measures included in the IFIA Code as being consistent with its corporate governance practices and procedures for the financial year. Each of the service providers engaged by the Company is subject to their own corporate governance requirements.

Financial Reporting Process - description of main features

The Board is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Administrator, State Street Fund Administration Services (Ireland) Limited, to maintain the books and records. The Administrator is authorised and regulated by the Central Bank and must comply with the rules imposed by the Central Bank. The Administrator is also contractually obliged to prepare for review and approval by the Board the annual report including financial statements intended to give a true and fair view and the half yearly financial statements.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external auditors' performance, qualifications and independence. The Administrator has operating responsibility in respect of its internal controls in relation to the financial reporting process and the Administrator's report to the Board.

Risk Assessment

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters

with a potential effect on financial reporting. The Board has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements.

Control Activities

The Administrator maintains control structures to manage the risks over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report. Examples of control activities exercised by the Administrator include analytical review procedures, reconciliations and automated controls over IT systems. The method of valuing securities and other assets when prices are not available from external independent sources is detailed in note 3 in the Notes to the financial Statements.

Information and Communication

The Company's policies and the Board's instructions with relevance for financial reporting are updated and communicated via appropriate channels, such as e-mail, correspondence and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner.

Monitoring

The Board receives regular presentations and reviews reports from the Depositary, Investment Advisors and Administrator. The Board also has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the Independent Auditors.

Capital Structure

No person has a significant direct or indirect holding of securities in the Company. No person has any special rights of control over the Company's share capital.

There are no restrictions on voting rights.

Powers of the Directors

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, Irish statute comprising the Companies Act 2014 and with the UCITS Regulations and the Listing Rules of Euronext Dublin as applicable to investment funds. The Articles of Association themselves may be amended by special resolution of the Shareholders.

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the Administrator and other parties, subject to the supervision and direction by the Directors. The Directors have delegated the day to day administration of the Company to the Administrator and the investment management and distribution functions to the Investment Advisors. Consequently none of the Directors is an executive Director.

The Articles of Association provide that the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its

PIMCO Fixed Income Source ETFs plc

Directors' Report (Cont.)

undertaking, property or any part thereof and may delegate these powers to the Investment Advisors.

The Directors may, at any time and from time to time temporarily suspend the calculation of the Net Asset Value of a particular Fund and the issue, repurchase and conversion of Shares in any of the following instances:

(a) during any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of the relevant Fund are quoted or dealt is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;

(b) during any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant class or if, in the opinion of the Directors, redemption prices cannot fairly be calculated;

(c) during any breakdown in the means of communication normally employed in determining the price of any of the investments of the Funds or other assets or when for any other reason the current prices on any market or stock exchange of any assets of the relevant Fund cannot be promptly and accurately ascertained; or

(d) during any period during which the Company is unable to repatriate funds required for the purpose of making payments on the redemption of Shares of any Fund from Shareholders or during which the transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange

Notice of any such suspension and notice of the termination of any such suspension shall be given immediately to the Central Bank and to Euronext Dublin and will be notified to applicants for Shares or to Shareholders requesting the repurchase of Shares at the time of application or filing of the written request for such repurchase. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Registered Shares may be transferred by instrument in writing. The instrument of transfer must be accompanied by a certificate from the transferee that it is not acquiring such Shares on behalf of or for the benefit of a US Person. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Administrator as having any title to or interest in the Shares registered in the names of such joint Shareholders. The Directors may decline to register a transfer if they are aware or reasonably believe the transfer would result in the beneficial ownership of Shares by a person in contravention of any restrictions on ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the relevant Fund or Shareholders generally.

Shareholder Meetings

The Annual General Meeting of the Company will usually be held in Dublin, normally during the month of September or such other date as the Directors may determine. Notice convening the Annual General Meeting in each year at

which the audited financial statements of the Company will be presented (together with the Directors' and Auditors' Reports of the Company) will be sent to Shareholders at their registered addresses not less than 21 clear days before the date fixed for the meeting. Other general meetings may be convened from time to time by the Directors in such manner as provided by Irish law.

Each of the shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those shares. Matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested by any shareholder having the right to vote at the meeting or unless the chairman of the meeting requests a poll. Each shareholder has one vote on a show of hands. Each share gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll.

No class of shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other share class or any voting rights in relation to matters relating solely to any other share class.

Any resolution to alter the class rights of the shares requires the approval of three quarters of the holders of the shares represented or present and voting at a general meeting of the class. The quorum for any general meeting of the class convened to consider any alteration to the class rights of the shares shall be such number of Shareholders being two or more persons whose holdings comprise one third of the shares.

Each of the shares other than subscriber shares entitles the shareholder to participate equally on a pro-rata basis in the dividends and net assets of the Fund in respect of which the shares have been issued, save in the case of dividends declared prior to becoming a shareholder.

Management shares entitle the Shareholders holding them to attend and vote at all general meetings of the Company but do not entitle the holders to participate in the dividends or net assets of the Company.

Composition and Operation of Board and Committees

There are six Directors currently, all of whom are non-executive Directors and three of whom are independent of the Investment Advisors. The Directors may be removed by the Shareholders by ordinary resolution in accordance with the procedures established under the Irish Companies Act 2014. The Board of Directors meets at least quarterly. The Board has an audit committee, currently consisting of the three Independent Directors, which met four times during the financial year under review.

CONNECTED PERSONS TRANSACTIONS

Transactions carried out with the Manager or depositary to a UCITS; and the delegates or sub-delegates of such a Manager or depositary (excluding any non-group Company sub-custodians appointed by a depositary); and any associated or group Company of such a Manager, depositary, delegate or sub-delegate ("connected persons") must be carried out as if negotiated at arm's length and only when in the best interests of the Shareholders. The Directors are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that connected party transactions are carried out as described above and that they have been complied with during the financial year.

PIMCO Fixed Income Source ETFs plc

Directors' Report (Cont.)

DIRECTORS

The Directors who held office during the financial year ended 31 March 2019 were:

V. Mangala Ananthanarayanan – appointed 30 June 2016
Ryan P. Blute – appointed 30 May 2014
John Bruton – appointed 28 February 2018
Craig A. Dawson – appointed 28 October 2010
David M. Kennedy – appointed 28 October 2010
Michael J. Meagher – appointed 28 October 2010 (Resigned 24 July 2018)
Frances Ruane – appointed 28 February 2018

The Articles of Association do not provide for the retirement of Directors by rotation.

SECRETARY

State Street Fund Administration (Ireland) Limited held the office of Secretary for the financial year ended 31 March 2019.

DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES AND CONTRACTS

None of the Directors or the Secretary held an interest in the shares of the Company during the financial years ended 31 March 2019 and 31 March 2018.

None of the Directors have a service contract with the Company.

LEGAL ADVISOR AS TO IRISH LAW

Dillon Eustace was Legal Advisor (as to Irish Law) to the Company during the financial year ended 31 March 2019.

INDEPENDENT AUDITORS

The Independent Auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office in accordance with section 383 of the Companies Act 2014.

On behalf of the Board of Directors

Director: Craig A. Dawson

Director: David M. Kennedy

Date: 30 July 2019

PIMCO Fixed Income Source ETFs plc

Independent Auditors' Report

Independent auditors' report to the members of PIMCO Fixed Income Source ETFs plc

Report on the audit of the financial statements

Opinion

In our opinion, PIMCO Fixed Income Source ETFs plc's financial statements:

- give a true and fair view of the Company's and Funds' assets, liabilities and financial position as at 31 March 2019 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Assets and Liabilities as at 31 March 2019;
- the Statement of Operations for the year then ended;
- the Statement of Changes in Net Assets for the year then ended;
- the Schedule of Investments for each of the Funds as at 31 March 2019; and
- the notes to the financial statements for the Company and for each of its Funds, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' 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 opinion.

Independence

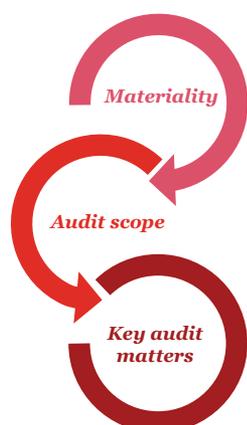
We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by IAASA's Ethical Standard were not provided to the Company.

We have provided no non-audit services to the Company in the period from 1 April 2018 to 31 March 2019.

Our audit approach

Overview



Materiality

- Overall materiality: 50 basis points of Net Asset Value ("NAV") at 31 March 2019 for each of the Company's Funds.

Audit scope

- The Company is an open-ended investment Company with variable capital and engages PIMCO Global Advisors (Ireland) Ltd. (the "Manager") to manage certain duties and responsibilities with regards to the day-to-day management of the Company. We tailored the scope of our audit taking into account the types of investments within the Funds, the involvement of the third parties referred to overleaf, the accounting processes and controls, and the industry in which the Company operates. We look at each of the Funds at an individual level.

Key audit matters

- Valuation of financial assets at fair value through profit or loss.
- Existence of financial assets at fair value through profit or loss.

PIMCO Fixed Income Source ETFs plc

Independent Auditors' Report (Cont.)

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example the selection of pricing sources to value the investment portfolio. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter

How our audit addressed the key audit matter

Valuation of financial assets at fair value through profit or loss

The transferable securities included on the Statement of Assets and Liabilities of the Funds at 31 March 2019 are valued at fair value in line with Generally Accepted Accounting Practice in Ireland. We focused on this area because it represents the principal element of the financial statements.

We tested the investment portfolio by independently agreeing the valuation of transferable securities held at 31 March 2019 to third party vendor sources and counterparty valuations.

No material misstatements were identified from the performance of these procedures.

Existence of financial assets at fair value through profit or loss

The transferable securities included on the Statement of Assets and Liabilities of the Funds are held in the Funds' names at 31 March 2019. We focused on this area because it represents the principal element of the financial statements.

We obtained independent confirmations from the Depository and counterparties of the holdings of transferable securities as at 31 March 2019. We reconciled the holdings per the confirmations to the holdings per accounting records.

No material misstatements were identified from the performance of these procedures.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

As at 31 March 2019 there are 9 Funds operating. The Company's Statement of Assets and Liabilities, Statement of Operations, and Statement of Changes in Net Assets are an aggregation of the positions and results of the Funds.

The Directors control the affairs of the Company and are responsible for the overall investment policy which is determined by them. The Company engages the Manager to manage certain duties and responsibilities with regards to the day to day management of the Company. The Manager has delegated certain responsibilities to the Investment Advisors and to State Street Fund Services (Ireland) Limited (the 'Administrator'). The financial statements, which remain the responsibility of the Directors, are prepared on their behalf by the Administrator. The Company has appointed State Street Custodial Services (Ireland) Limited (the "Depository") to act as Depository of the Company's assets. In establishing the overall approach to our audit we assessed the risk of material misstatement at a Fund level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Company's interaction with the Administrator, and we assessed the control environment in place at the Administrator.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements of each of the Company's Funds as follows:

Overall materiality and how we determined it	50 basis points (2018: 50 basis points) of Net Asset Value ("NAV") at 31 March 2019 for each of the Company's Funds.
Rationale for benchmark applied	We have applied this benchmark because the main objective of the Company is to provide investors with a total return at a Fund level, taking account of the capital and income returns.

We agreed with the Board of Directors that we would report to them misstatements identified during our audit above 5 basis points of each Fund's NAV, for NAV per share impacting differences (2018: 5 basis points of each Fund's NAV, for NAV per share impacting differences) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

PIMCO Fixed Income Source ETFs plc

Independent Auditors' Report (Cont.)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's and Funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's and Funds' ability to continue as going concerns.

Reporting on other information

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

Directors' Report

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Corporate governance statement

- In our opinion, based on the work undertaken in the course of the audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.
- In our opinion, based on the work undertaken during the course of the audit of the financial statements, the information required by section 1373(2)(a),(b),(e) and (f) of the Companies Act 2014 and regulation 6 of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 is contained in the Corporate Governance Statement.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' Responsibilities set out on page 109, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The Directors are also responsible for such internal control as they determine 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 Directors are responsible for assessing the Company's and Funds' ability to continue as going concerns, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

PIMCO Fixed Income Source ETFs plc

Independent Auditors' Report (Cont.)

Auditors' 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 auditors' 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 ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Appointment

We were appointed by the Directors on 1 February 2011 to audit the financial statements for the year ended 31 March 2011 and subsequent financial periods. The period of total uninterrupted engagement is 9 years, covering the years ended 31 March 2011 to 31 March 2019.

Jonathan O'Connell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
30 July 2019

PIMCO Fixed Income Source ETFs plc

Depository's Report

We have enquired into the conduct of PIMCO Fixed Income Source ETFs plc (the "Company") for the financial year ended 31 March 2019, in our capacity as Depository to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with Regulation 34, (1), (3) and (4) in Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, ('the UCITS Regulations'), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

RESPONSIBILITIES OF THE DEPOSITARY

Our duties and responsibilities are outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that financial period in accordance with the provisions of the Company's constitution (the "Constitution") and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Depository must state why this is the case and outline the steps which we have taken to rectify the situation.

BASIS OF DEPOSITARY OPINION

The Depository conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 34, (1), (3) and (4) in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the Constitution and the UCITS Regulations and (ii) otherwise in accordance with the Constitution and the appropriate regulations.

OPINION

In our opinion, the Company has been managed during the financial period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Constitution, the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, ('the Central Bank UCITS Regulations'); and
- (ii) otherwise in accordance with the provisions of the Constitution, the UCITS Regulations and the Central Bank UCITS Regulations.

State Street Custodial Services (Ireland) Limited,
78 Sir John Rogerson's Quay,
Dublin D02 HD32
Ireland

Date: 30 July 2019

PIMCO Fixed Income Source ETFs plc

Remuneration Disclosures

(Unaudited)

PIMCO Global Advisors (Ireland) Limited (the "Manager"), in accordance with its obligations under Directive 2009/65/EC, as amended (the "UCITS Directive") is required to have remuneration policies and practices for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or any Undertakings for Collective Investment in Transferable Securities ("UCITS") under management, that are consistent with and promote sound and effective risk management and do not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Manager or the PIMCO Fixed Income Source ETFs plc (The "Company").

Details of the remuneration in respect of the financial year ending 31 March 2019 which is paid by the Company to its staff are set out below:

The Manager has no employees. The Manager has a Board of Directors, three of whom are employees of the PIMCO group and receive no remuneration from the Manager. The remaining three Directors and one who retired during the financial year, all of whom are independent, receive a fixed fee only (for the year ended 31 March 2019; €41,050 (31 March 2018; €28,000) in aggregate) and do not receive variable remuneration. These fees are set at a level that is on par with the rest of the market and reflects the qualifications and contribution required in view of the Manager and the Company's complexity, the extent of the responsibilities and the number of board meetings. No pension contributions are payable on the fees paid by the Manager to the Directors.

DESCRIPTION	PAR (0005)	COST (0005)	DESCRIPTION	PAR (0005)	PROCEEDS (0005)
PURCHASES THROUGH 31 MARCH 2019			SALES THROUGH 31 MARCH 2019		
Nordea Kredit Realkreditaktieselskab 2.000% due 01/10/2050	DKK 309,500	€ 41,021	Nordea Kredit Realkreditaktieselskab 2.000% due 01/10/2050	DKK 333,182	€ 44,063
Sveriges Sakerstallda Obligationer AB 2.000% due 17/06/2026	SEK 397,000	40,172	Sveriges Sakerstallda Obligationer AB 2.000% due 17/06/2026	SEK 425,000	42,969
Nykredit Realkredit A/S 2.000% due 01/10/2050	DKK 193,101	25,553	Nykredit Realkredit A/S 2.000% due 01/10/2050	DKK 193,099	25,565
Nordea Hypotek AB 1.250% due 20/09/2023	SEK 234,000	23,247	Nordea Hypotek AB 1.250% due 20/09/2023	SEK 257,000	25,368
ING Bank NV 2.625% due 05/12/2022	\$ 25,200	21,073	ING Bank NV 2.625% due 05/12/2022	\$ 25,200	21,235
Jyske Realkredit A/S 2.000% due 01/10/2050	DKK 155,900	20,625	Jyske Realkredit A/S 2.000% due 01/10/2050	DKK 153,737	20,326
Realkredit Danmark A/S 2.500% due 01/10/2047	127,000	17,639	Realkredit Danmark A/S 2.500% due 01/10/2047	127,669	17,704
Danske Hypotek AB 1.000% due 20/12/2023	SEK 176,000	17,088	Danske Hypotek AB 1.000% due 20/12/2023	SEK 176,000	17,154
Italy Buoni Poliennali Del Tesoro 0.650% due 15/10/2023	€ 17,000	15,819	Spain Government International Bond 2.700% due 31/10/2048	€ 15,600	16,531
Spain Government International Bond 2.700% due 31/10/2048	13,700	14,524	Realkredit Danmark A/S 2.000% due 01/10/2050	DKK 120,688	16,061
ABN AMRO Bank NV 1.450% due 12/04/2038	14,600	14,464	Stadshypotek AB 1.500% due 01/06/2023	SEK 158,000	15,885
Bundesobligation 0.000% due 14/04/2023	13,500	13,534	Italy Buoni Poliennali Del Tesoro 0.650% due 15/10/2023	€ 17,000	15,780
Realkredit Danmark A/S 1.500% due 01/10/2050	DKK 99,600	12,828	Cajamar Caja Rural SCC 1.250% due 26/01/2022	14,300	14,688
HSH Nordbank AG 0.375% due 12/07/2023	€ 12,800	12,788	Santander UK PLC 5.250% due 16/02/2029	£ 9,865	14,640
Banca Monte dei Paschi di Siena SpA 2.125% due 26/11/2025	11,850	12,532	ABN AMRO Bank NV 1.450% due 12/04/2038	€ 14,600	14,390
Ireland Government Bond 0.900% due 15/05/2028	12,400	12,394	PITCH1 5.125% due 20/07/2022	11,500	13,679
Lloyds Bank PLC 6.000% due 08/02/2029	£ 7,500	11,704	Bundesobligation 0.000% due 14/04/2023	13,500	13,530
Cie de Financement Foncier SA 0.750% due 29/05/2026	€ 11,500	11,578	HSH Nordbank AG 0.375% due 12/07/2023	12,800	12,814
Swedbank Hypotek AB 1.000% due 15/03/2023	SEK 115,000	11,430	Banca Monte dei Paschi di Siena SpA 2.125% due 26/11/2025	11,850	12,480
Italy Buoni Poliennali Del Tesoro 1.450% due 15/05/2025	€ 11,500	11,420	Ireland Government Bond 0.900% due 15/05/2028	12,400	12,426

Significant portfolio changes are defined as the value of purchases exceeding 1% of total cost of purchases, and sales exceeding 1% of total proceeds. At a minimum the twenty largest purchases and twenty largest sales must be shown. Should there have been less than that amount of transactions, all such transactions have been disclosed.

Repurchase Agreements, which may be utilised for uninvested Fund cash and which usually mature the next business day, and securities held to maturity, which matured during the reporting period, have been excluded from the Significant Changes in Portfolio Composition.

DESCRIPTION	PAR (0005)	COST (0005)
PURCHASES THROUGH 31 MARCH 2019		
United Kingdom Treasury Bills 0.000% due 17/09/2018	£ 20,000	£ 19,976
United Kingdom Treasury Bills 0.000% due 31/07/2018	16,500	16,492
Nordea Eiendomskreditt A/S 1.176% due 18/06/2023	3,200	3,200
Royal Bank of Canada 1.116% due 08/06/2021	3,100	3,100
Santander UK PLC 1.142% due 13/04/2021	2,900	2,900
Finsbury Square PLC 1.545% due 12/03/2059	2,644	2,647
Lansforsakringar Hypotek AB 2.250% due 21/09/2022	SEK 26,000	2,386
Nordea Hypotek AB 1.000% due 08/04/2022	26,200	2,295
Royal Bank of Canada 2.200% due 23/09/2019	\$ 3,000	2,253
Deutsche Pfandbriefbank AG 2.250% due 04/05/2020	3,000	2,237
Towd Point Mortgage Funding PLC 0.000% due 20/10/2051	£ 2,200	2,200
Telefonica Emisiones S.A. 5.597% due 12/03/2020	2,000	2,134
Gosforth Funding PLC 1.440% due 25/08/2060	2,100	2,100
Santander UK PLC 1.136% due 20/09/2021	2,000	2,000
Swedbank Hypotek AB 1.000% due 15/06/2022	SEK 22,800	1,996
Skandinaviska Enskilda Banken AB 1.500% due 15/12/2021	21,000	1,873
Sveriges Sakerstallda Obligationer AB 1.250% due 15/06/2022	21,000	1,856
CVC Cordatus Loan Fund Ltd. 0.970% due 22/04/2030	€ 2,000	1,764
Brass PLC 1.524% due 16/10/2059	£ 1,700	1,700
Trinidad Mortgage Securities PLC 1.726% due 24/01/2059	1,700	1,695
Japan Finance Organization for Municipalities 5.750% due 09/08/2019	1,600	1,680
Cairn CLO BV 0.790% due 25/07/2029	€ 1,900	1,679
Yorkshire Building Society 1.314% due 19/11/2023	£ 1,500	1,500
BAT International Finance PLC 6.375% due 12/12/2019	1,400	1,496
Wells Fargo & Co. 2.125% due 20/12/2023	1,500	1,492
BAMS CMBS DAC 1.869% due 17/05/2028	1,400	1,400

DESCRIPTION	PAR (0005)	PROCEEDS (0005)
SALES THROUGH 31 MARCH 2019		
Deutsche Pfandbriefbank AG 1.363% due 13/01/2020	£ 5,000	£ 5,013
Dexia Credit Local S.A. 1.050% due 04/04/2019	5,000	5,003
Oesterreichische Kontrollbank AG 2.000% due 17/12/2018	4,000	4,002
Swedbank Hypotek AB 1.000% due 15/06/2022	SEK 44,000	3,837
BAT International Finance PLC 6.000% due 29/06/2022	£ 3,050	3,480
Lansforsakringar Hypotek AB 2.250% due 21/09/2022	SEK 35,100	3,244
European Investment Bank 5.375% due 07/03/2019	£ 3,000	3,035
Svensk Exportkredit AB 1.875% due 21/12/2018	3,000	3,001
Wells Fargo & Co. 2.125% due 22/04/2022	2,500	2,506
CRH Finance DAC 3.125% due 03/04/2023	€ 2,500	2,481
Royal Bank of Canada 2.200% due 23/09/2019	\$ 3,100	2,419
Skandinaviska Enskilda Banken AB 1.500% due 15/12/2021	SEK 19,000	1,713
Stadshypotek AB 4.500% due 21/09/2022	17,000	1,702
Japan Finance Organization for Municipalities 5.750% due 09/08/2019	£ 1,600	1,650
Nordea Hypotek AB 1.000% due 08/04/2022	SEK 17,500	1,554
Wells Fargo & Co. 2.125% due 20/12/2023	£ 1,500	1,493
Credit Suisse Group Funding Guernsey Ltd. 3.000% due 27/05/2022	1,400	1,449
Sveriges Sakerstallda Obligationer AB 1.250% due 15/06/2022	SEK 16,000	1,433
Friends Life Holdings PLC 8.250% due 21/04/2022	£ 1,200	1,428
Barclays PLC 1.500% due 01/04/2022	€ 1,500	1,358
Morgan Stanley 1.000% due 02/12/2022	1,500	1,344
Kreditanstalt fuer Wiederaufbau 0.875% due 15/03/2022	£ 1,300	1,285
Toronto-Dominion Bank 1.306% due 01/02/2019	1,200	1,201
Bank Nederlandse Gemeenten NV 5.375% due 07/06/2021	1,000	1,116
Orange S.A. 7.250% due 10/11/2020	1,000	1,113
United Kingdom Treasury Bills 0.000% due 17/09/2018	1,100	1,098
British Telecommunications PLC 8.625% due 26/03/2020	1,000	1,097
FMS Wertmanagement 1.250% due 08/03/2019	1,000	1,001
Landeskreditbank Baden-Wuerttemberg Foerderbank 1.125% due 17/05/2021	1,000	999
Deutsche Bank AG 1.750% due 16/12/2021	1,000	976
MetLife, Inc. 5.250% due 29/06/2020	900	952
JAB Holdings BV 2.125% due 16/09/2022	€ 1,000	945

Significant portfolio changes are defined as the value of purchases exceeding 1% of total cost of purchases, and sales exceeding 1% of total proceeds. At a minimum the twenty largest purchases and twenty largest sales must be shown. Should there have been less than that amount of transactions, all such transactions have been disclosed.

Repurchase Agreements, which may be utilised for uninvested Fund cash and which usually mature the next business day, and securities held to maturity, which matured during the reporting period, have been excluded from the Significant Changes in Portfolio Composition.

PIMCO Fixed Income Source ETFs plc

Glossary: (abbreviations that may be used in the preceding statements)

(Unaudited)

Counterparty Abbreviations:

BCY	Barclays Capital, Inc.	JML	JP Morgan Securities Plc
BOA	Bank of America N.A.	JPM	JP Morgan Chase Bank N.A.
BOS	Merrill Lynch, Pierce, Fenner & Smith, Inc.	JPS	JP Morgan Securities, Inc.
BPS	BNP Paribas S.A.	MSB	Morgan Stanley Bank, N.A.
BRC	Barclays Bank PLC	MYC	Morgan Stanley Capital Services, Inc.
CBK	Citibank N.A.	MYI	Morgan Stanley & Co. International PLC
DUB	Deutsche Bank AG	NGF	Nomura Global Financial Products, Inc.
FAR	Wells Fargo Bank National Association	RBC	Royal Bank of Canada
FBF	Credit Suisse International	RYL	Royal Bank of Scotland PLC
FICC	Fixed Income Clearing Corporation	SAL	Citigroup Global Markets, Inc.
GLM	Goldman Sachs Bank USA	SCX	Standard Chartered Bank
GRE	RBS Securities, Inc.	SOG	Societe Generale Paris
GST	Goldman Sachs International	SSB	State Street Bank and Trust Co.
HUS	HSBC Bank USA N.A.	UAG	UBS AG Stamford
IND	Crédit Agricole Corporate and Investment Bank S.A.	UBS	UBS Securities LLC

Currency Abbreviations:

ARS	Argentine Peso	INR	Indian Rupee
AUD	Australian Dollar	JPY (or ¥)	Japanese Yen
BRL	Brazilian Real	MXN	Mexican Peso
CAD	Canadian Dollar	MYR	Malaysian Ringgit
CHF	Swiss Franc	PHP	Philippine Peso
CLP	Chilean Peso	PLN	Polish Zloty
CNH	Chinese Renminbi (Offshore)	RUB	Russian Ruble
CNY	Chinese Renminbi (Mainland)	SEK	Swedish Krona
COP	Colombian Peso	SGD	Singapore Dollar
CZK	Czech Koruna	THB	Thai Baht
DKK	Danish Krone	TRY	Turkish New Lira
EUR (or €)	Euro	USD (or \$)	United States Dollar
GBP (or £)	British Pound	ZAR	South African Rand
IDR	Indonesian Rupiah		

Exchange Abbreviations:

CBOT	Chicago Board of Trade
FTSE	Financial Times Stock Exchange
OTC	Over the Counter

Index/Spread Abbreviations:

CDX.HY	Credit Derivatives Index – High Yield
CDX.IG	Credit Derivatives Index – Investment Grade
CMBX	Commercial Mortgage-Backed Index
CPURNSA	Consumer Price All Urban Non-Seasonally Adjusted Index

Other Abbreviations:

BTP	Buoni del Tesoro Poliennali
CLO	Collateralised Loan Obligation
CMBS	Collateralised Mortgage-Backed Security
DAC	Designated Activity Company
EURIBOR	Euro Interbank Offered Rate
LIBOR	London Interbank Offered Rate
NCUA	National Credit Union Administration
PIK	Payment-in-Kind
TBA	To-Be-Announced
TBD	To-Be-Determined
TIIE	Tasa de Interés Interbancaria de Equilibrio “Equilibrium Interbank Interest Rate”

PIMCO Fixed Income Source ETFs plc

General Information

(Unaudited)

Manager

PIMCO Global Advisors (Ireland) Ltd.,
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PIMCO Deutschland GmbH,
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Administrator

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Depository

State Street Custodial Services (Ireland) Limited,
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Co-Promoters

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Invesco UK Services Limited,
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Austrian Paying Agent

Erste Bank der oesterreichischen Sparkassen AG,
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International Paying Agent

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French Centralising and Financial Agent

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Luxembourg Paying and Representative Agent

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PIMCO Fixed Income Source ETFs plc

General Information (Cont.)

(Unaudited)

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Secretary

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Registered Office

PIMCO Fixed Income Source ETFs plc,
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Directors of the Company and the Manager

V. Mangala Ananthanarayanan¹ (India)
Ryan P. Blute¹ (USA)
John Bruton (Independent Director) (Ireland)
Craig A. Dawson¹ (USA)
David M. Kennedy (Independent Director) (Ireland)
Michael J. Meagher (Independent Director) (Ireland) (Resigned 24 July 2018)
Frances Ruane (Independent Director) (Ireland)

The Prospectus, Supplements to the Prospectus, Memorandum & Articles of Association, annual and semi-annual reports are available free of charge at the office of the representative or agent of each jurisdiction.

Investors may obtain a copy of the list of changes in the portfolio during the financial year ended 31 March 2019, free of charge, at the depositary or paying agents, at the paying and information agent in Germany and the Swiss representative in Switzerland.

THE DISTRIBUTION OF SHARES OF THE FUNDS IN SWITZERLAND WILL BE EXCLUSIVELY MADE TO, AND DIRECTED AT, QUALIFIED INVESTORS (THE "QUALIFIED INVESTORS"), AS DEFINED IN THE SWISS COLLECTIVE INVESTMENT SCHEMES ACT OF 23 JUNE 2006, AS AMENDED ("CISA"), AND ITS IMPLEMENTING ORDINANCE. ACCORDINGLY, THE FUNDS HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY ("FINMA"). THIS REPORT MAY BE MADE AVAILABLE IN SWITZERLAND SOLELY TO QUALIFIED INVESTORS.

¹ Employed by PIMCO.