

Allianz Technology Trust PLC

Technology investing from the heart of the industry



Aim

The Trust's objective is to achieve long-term capital growth by investing principally in the equity securities of quoted technology companies on a worldwide basis.

Trust Benefits

The award-winning Allianz Technology Trust PLC offers investors access to the fast moving world of technology with the reassurance that investment decisions are made by the highly experienced Global Technology Team which currently manages \$12bn in assets under management.

At the Heart of the Industry

Allianz Technology Trust is managed by the highly experienced Global Technology team based in San Francisco. The team benefits from its close proximity to Silicon Valley where many of the world's key technology companies are headquartered.

Awards & Ratings



A ranking, a rating or an award provides no indicator of future performance and is not constant over time.

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Key Information

Launch Date	December 1995
AllianzGI Appointment	April 2007
AIC Sector	Specialist Sector: Technology, Media & Telecoms
Benchmark	Dow Jones World Technology Index (sterling adjusted, total return)
Annual Management Fee	0.8% p.a. on market capitalisation up to £400 million, 0.6% p.a. on any market capitalisation between £400 million and £1 billion, and 0.5% p.a. on any market capitalisation over £1 billion. In addition there is an admin fee of £55,000 p.a.
Performance Fee ¹	Yes
Ongoing Charges ²	0.70%
Year End	31 December
Annual Financial Report	Final published in March, Half-yearly published in August
AGM	April
NAV Frequency	Daily
Price Information	Financial Times, The Daily Telegraph, www.allianztechnologytrust.com
Company Secretary	Kelly Nice
Investment Manager	Mike Seidenberg
Codes	RIC: ATT.L SEDOL: BNG2M15

1. Calculated as 10% of outperformance against the benchmark, after adjusting for changes in share capital and will be capped at 1.75% of the Company's average daily NAV over the relevant year.
2. As at the Trust's Financial Year End (31.12.2022). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses, which include the annual management fee, incurred in the running of the company but excluding financing costs.

Total Assets £1,207.4m **Shares in Issue** 395,334,069 (Ordinary 2.5p) **Market Cap** £1,065.4m

Share Price

269.5p

NAV per Share

305.4p

Premium/-Discount

-11.8%

From 25 July 2022, discretionary portfolio management services formerly provided to Allianz Technology Trust PLC (the "Company") by Allianz Global Investors ("AllianzGI") have been delegated to Voya Investment Management Co. LLC ("Voya IM"). All members of the former AllianzGI Global Technology Team transferred to Voya IM and continue to manage the Company's portfolio. It is anticipated that there will be no change to the investment process. AllianzGI will remain the Company's AIFM (Alternative Investment Fund Manager), providing company secretarial, administration and sales and marketing services.

All data source DataStream and Allianz Global Investors as at 31.08.23 unless otherwise stated.

Fund Manager's Review

The Allianz Technology Trust's NAV total return was -1.85% in August, compared to the Dow Jones World Technology Index return of -0.60%. During the month, stock selection and industry allocation modestly detracted from relative returns.

Contributors

Nvidia Corp. was the top contributor to relative performance during the month. Nvidia delivered very strong guidance that was solidly above investor estimates, despite high expectations. Strength was driven by tremendous growth for AI products and a supply chain that has ramped far more quickly than investors assumed. The Datacenter Compute segment grew 157% quarter-on-quarter, exceeding expectations by far and boosting confidence that AI demand should drive revenue and earnings growth for a protracted period. While the recent earnings results were a welcome boost to the portfolio, we are mindful of the recent strong run and the rise in valuation and trimmed the portfolio's position size in Nvidia during the month. We maintain conviction, however, in the company as a portfolio holding.

Amazon.com, Inc. was also a top contributor as the company delivered strong earnings results, driven by better-than-expected margin improvement in its North America segment. Management also noted the potential for more margin opportunity through further enhancements in its fulfillment localisation strategy, which cuts down on inventory touch points and travel distances. Additionally, AWS (Amazon Web Services) growth stabilised in the quarter, with management noting a shift in customer behaviour from cost optimisation to workload deployment. The company also sees additional growth opportunities in a slate of generative AI-enabled products that should drive demand over a longer horizon.

Other top relative contributors included an underweight position in Apple Inc., not owning Tencent Holdings Ltd. and an overweight to Arista Networks Inc.

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Detractors

Datadog Inc. was a top detractor in the month of August. Datadog offers a cloud-based data monitoring and analytics platform which integrates and automates infrastructure monitoring, application performance monitoring and log management for real-time observability of customers. The company reported mixed second-quarter results as cloud optimisation headwinds impacted the business, which led to the company's full-year revenue guidance being cut. Management called out continued cloud optimisation challenges and elevated churn among its smaller customers. Despite the recent challenges, we remain positive on the long-term opportunity for Datadog, driven by secular tailwinds around data growth, the continued shift to the cloud, and increasing infrastructure complexity from the use of containers, microservices and generative AI.

Cybersecurity software provider, Fortinet, Inc., was among the top detractors in August after it delivered disappointing results, missing estimates on revenue and billings as the company saw the macro environment broadly impact customer buying behaviour. Fortinet cited weakness with large enterprise and service provider customers and due to digestion of purchases made in prior periods. As a result, full year guidance was lowered to reflect more conservative close rate assumptions and continued pressure in the macro environment. The company's results are likely a reflection of macro challenges catching up with the business once it has worked through its backlog of orders from prior periods and faces tougher comparisons. In our view, the long-term opportunity as a portfolio holding is still intact and the company's growth rate is likely to benefit from the scaling of the faster-growth non-FortiGate business over the medium term.



Mike Seidenberg, Lead Portfolio Manager

Michael Seidenberg received his BS in Business Administration from the University of Colorado in 1990. He received his Master of Business Administration from Columbia Business School in 1996 with concentrations in Finance and Accounting. Prior to attending Columbia Business School, Michael worked for Roche Laboratories (a division of Hoffman LaRoche) in pharmaceutical and biotechnology sales. From 1996-2001, he worked in the software industry in a variety of roles and spent time at Oracle Corporation. He began his investing career with Citadel Investment Group in 2001 covering the software space. Over the next 8 years he broadened his coverage list to include a variety of technology sectors. Prior to joining the Global Technology team in Sept 2009, Michael worked at a number of hedge funds including Pequot Capital and Andor Capital.

Other top detractors included overweight positions in Meta Platforms Inc., MongoDB, Inc. and Hubspot, Inc.

Market outlook

Our expectation is that the recent macro challenges could translate to an attractive opportunity for long-term investors as the technology sector is likely to continue benefitting from secular tailwinds which should drive capital appreciation over time. Having said this, we are cognisant of the scrutiny on IT budgets and the potential challenge near term. In addition, many companies remain challenged to find workers to meet customer demands and are likely to further leverage technology-based solutions to improve productivity of limited staffs. As companies need to reduce costs and improve productivity, particularly in light of a potentially uncertain macroeconomic outlook, we expect to see accelerating demand for innovative and more productive solutions such as cloud, software-as-a-service, artificial intelligence, cyber security, etc. Lastly, we are excited about the advancement of artificial intelligence and what it means to the companies who trial and embrace these new models. Like many secular themes in technology, we would expect the companies who both enable and benefit to have good long term revenue growth and profitability characteristics but caution investors to expect volatility in this emerging sector. This is yet another example of technology solving a difficult problem and providing companies with a competitive advantage over time. We are in a period of rapid change, where the importance of technology is key to the prosperity of most industries. We believe that this environment is likely to provide attractive growth opportunities in many technology stocks over the next several years.

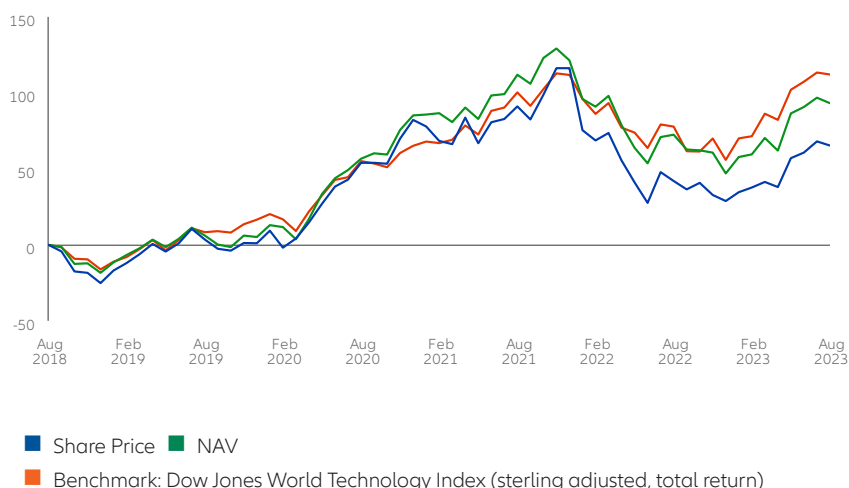
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets — particularly for bottom-up stock pickers with proven long-term selection capabilities.

Mike Seidenberg
25 September 2023

This is no recommendation or solicitation to buy or sell any particular security. Any security mentioned above will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

Performance Track Record

Five Year Performance (%)



Risk & Features

Investment trusts are quoted companies listed on the London Stock Exchange. Their share prices are determined by factors including the balance of supply and demand in the market.

Competition among technology companies may result in aggressive pricing of their products and services, which may affect the profitability of the companies in which the Trust invests. In addition, because of the rapid pace of technological development, products or services developed by these companies may become rapidly obsolete or have relatively short product cycles. This may have the effect of making the Trust's returns more volatile than the returns of a fund that does not invest in similarly related companies.

Derivatives can be used to manage the Trust efficiently.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	5.3	20.0	16.4	7.4	65.3
NAV	4.2	21.8	12.7	24.0	94.3
Benchmark	5.0	23.7	19.3	36.8	112.1

Discrete 12 Month Returns to 31 August (%)

	2023	2022	2021	2020	2019
Share Price	16.4	-25.7	24.1	48.7	3.6
NAV	12.7	-18.6	35.2	47.6	6.2
Benchmark	19.3	-11.2	29.2	43.2	8.3

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 31.08.23. Copyright 2023 © DataStream, a Thomson Reuters company. All rights reserved. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Past performance does not predict future returns. Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors might not get back the full amount invested.

Portfolio Breakdown

Sector Breakdown (%)

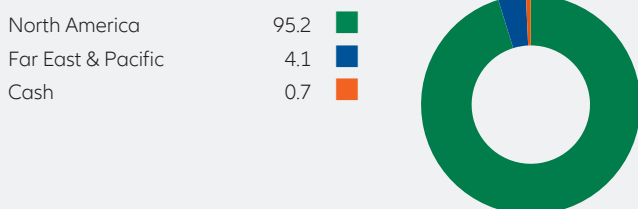
Information Technology	89.0	<div style="width: 89%;"></div>
Consumer Discretionary	10.3	<div style="width: 10.3%;"></div>
Cash	0.7	<div style="width: 0.7%;"></div>

Top Ten Holdings (%)

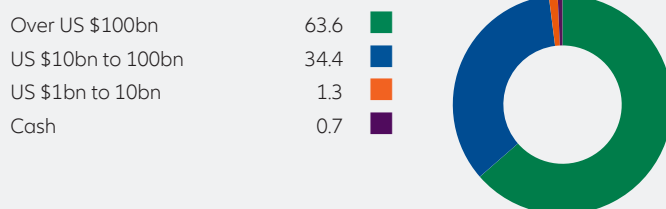
Nvidia	9.4
Apple	8.7
Microsoft	8.0
Meta	7.1
Alphabet - A shares	5.8
Amazon	3.5
Datadog	2.7
MongoDB	2.7
Shopify	2.6
Lam Research	2.5

Total number of holdings 42

Geographic Breakdown (%)



Market Cap Breakdown (%)



The data shown is not constant over time and the allocation may change in the future. Totals may not sum to 100.0% due to rounding. This is no recommendation or solicitation to buy or sell any particular security.

Board of Directors

Tim Scholefield (Chairman)

Katya Thomson (Chair of the Audit & Risk Committee)

Humphrey van der Klugt (Senior Independent Director)

Neeta Patel

Elisabeth Scott

Glossary

Share Price is the price of a single ordinary share, as determined by the stock market. The price shown above is the mid-market price.

Net Asset Value (NAV) per Share is calculated as available shareholders' funds divided by the number of shares in issue, with shareholders' funds taken to be the net value of all the company's assets after deducting liabilities. An undiluted, cum-income NAV is shown.

Premium/Discount. Since investment company shares are traded on a stock market, the share price that you get may be higher or lower than the NAV. The difference is known as a discount or premium.

How to invest

You can buy shares in the Trust through:

- A third party provider - see 'How to Invest' on our website, where you will find links to a range of these platforms, many of which allow you to hold the shares within an ISA, Junior ISA, SIPP and/or savings scheme.
- A stockbroker.
- A financial adviser.

Contact us

If you have any queries regarding our investment trusts our Investor Services team can be contacted on:

0800 389 4696

www.allianztechnologytrust.com

E-mail: investment-trusts@allianzgi.com

You will find much more information about Allianz Technology Trust on our website.

Please note that we can only offer information and are unable to provide investment advice. You should contact your financial adviser before making any investment decision.



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All data source Allianz Global Investors as at 31.08.23 unless otherwise stated.

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