

Allianz Technology Trust PLC

Technology investing from the heart of the industry

Allianz 
Global Investors

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 PLC 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 £1,318.8m **Shares in Issue** 389,957,010 (Ordinary 2.5p) **Market Cap** £1,183.5m

Share Price
303.5p

NAV per Share
338.2p

Premium/-Discount
-10.3%

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 31.12.23 unless otherwise stated.

Fund Manager's Review

The Allianz Technology Trust's Net Asset Value (NAV) total return was 5.65% in December, compared to the Dow Jones World Technology Index return of 3.83%.

Monthly outperformance was led primarily by bottom-up stock selection, with favourable top-down allocation (the amount of the portfolio in a particular sector or geography) impacts also providing a boost. Specifically, stockpicking in software contributed meaningfully to results, followed by an active overweight allocation to semiconductors, the benchmark's top industry performance, combined with favourable stockpicking in the segment. This was only partially offset by short-term selections in broadline retail and media industries.

Contributors

During the month, there was a notable shift in the relative performance of several mega-market-capitalisation (cap) names which had led the market throughout the year, benefiting ATT on a relative basis given inherent portfolio position size constraints and our focus on opportunities further down the market cap spectrum. Our top relative contributor to performance for the month was an underweight in enterprise software, cloud storage and security giant Microsoft Corp., which was modestly lower on profit-taking and the broadening of market participation. From the perspective of our portfolio holding, we continue to have a favourable viewpoint on the company, which is a beneficiary of the secular growth of digital transformation. We will remain underweight the company given its significant benchmark weight. Similarly, our relative underweight allocation in iPhone and personal computer maker Apple Inc. aided results given its stance as the largest benchmark weight and only modest performance gain as investors focused on a moderation in near-term growth and potential impact from exposure to China. The company's strong ecosystem and consumer loyalty, combined with a history of innovation and market share gains, lead us to continue holding our existing position, although at a lower weight than the benchmark given the aforementioned position size limitations.

“ We believe the equity market recovery over the past year can extend into 2024, particularly with stocks showing signs of broadening out beyond the Magnificent 7 ”

Other top monthly contributors included our active overweight allocation to Monolithic Power Systems, Inc., a provider of high-performance, semiconductor-based power electronics solutions, the avoidance of Tencent Holdings Ltd., a Chinese internet and media services holding company and our exposure to HubSpot, Inc., a cloud-based customer relationship management platform.

Detractors

MongoDB, Inc., an open-source database platform for automating, monitoring and deployment, was the largest relative detractor to performance in December. The company reported solid top-line results, led by upside in existing customer workloads. However, investors were focused on a short-term decelerating quarter-over-quarter growth and the fact that the stock hit a 52-week high during the month, which led to modest profit-taking. The stock remains an active overweight allocation in the portfolio given our conviction in their database software and growth in artificial intelligence and machine-learning workloads. Shares of MercadoLibre, Inc., a Latin American-focused online commerce ecosystem, also detracted from relative results. The stock had been a top performer in November thanks to upside earnings results led by margin expansion and outsized profit growth, with the share price slightly lower in December despite no meaningful news flow and amid an increase in sell-side price targets. We continue to hold the stock in the portfolio given its leading positioning in the region combined with logistics buildout, higher demand for their loyalty program and disciplined cost controls, which may drive additional growth in the future.



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 detractors included our avoidance of semiconductor equipment maker ASML Holding, and an active underweight in microprocessor and computer components maker Intel Corp, and an above-benchmark allocation to diversified software and generative AI beneficiary Adobe Inc.

Market Outlook

Equity market sentiment continued to notch higher in December, capping a strong year for equities, particularly technology shares. We believe the equity market recovery over the past year can extend into 2024, particularly with stocks showing signs of broadening out beyond the Magnificent 7 as interest rates appear to be on a path lower with an economic soft landing more likely. At the December 2023 Federal Open Market Committee meeting, the U.S. Federal Reserve signaled multiple rate cuts could come in 2024 as rates are either at or near-peak levels with promising inflation and moderating jobs data.

Earnings growth looks poised to re-accelerate in 2024 and should be conducive for a continued broadening of performance across the full range of market capitalisation (i.e. from the very largest to the very smallest companies). There are likely to be bumps along the way and the market might be due for a short-term breather after the recent strength, but there are reasons to be optimistic.

We continue to have a high level of conviction in secular growth opportunities within technology, including AI and machine learning, Internet of Things (IOT), cyber security, digital assets and mobility, thanks to secular growth potential and bottom-up fundamental factors. We continue to anticipate that macro challenges experienced over the prior two years are likely to ease and translate to favourable opportunities for investors focused on individual stock fundamental factors.

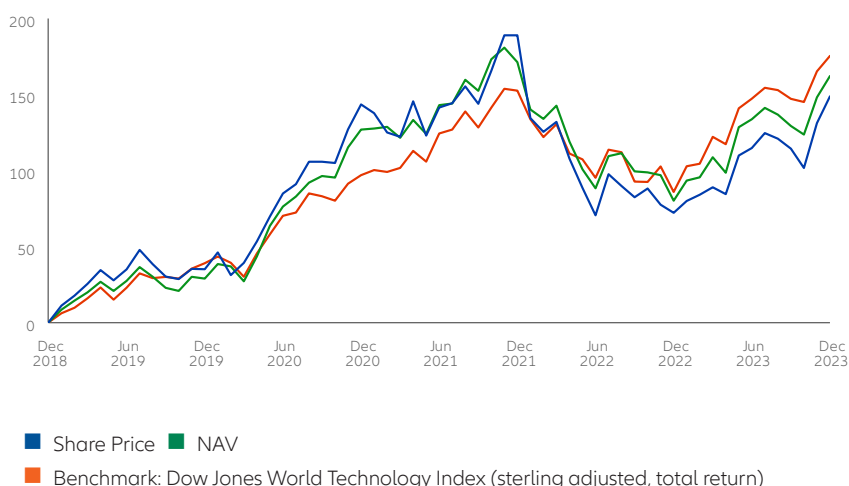
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets — particularly for bottom-up stock pickers with proven long-term selection capabilities.

Mike Seidenberg
11 January 2024

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	16.1	15.8	44.5	2.2	148.8
NAV	14.3	12.8	46.4	16.2	163.6
Benchmark	11.4	11.4	48.2	39.9	175.4

Discrete 12 Month Returns to 31 December (%)

	2023	2022	2021	2020	2019
Share Price	44.5	-40.4	18.7	80.3	35.0
NAV	46.4	-33.6	19.5	76.1	28.8
Benchmark	48.2	-26.4	28.2	41.7	39.0

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 31.12.23. 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 (%)

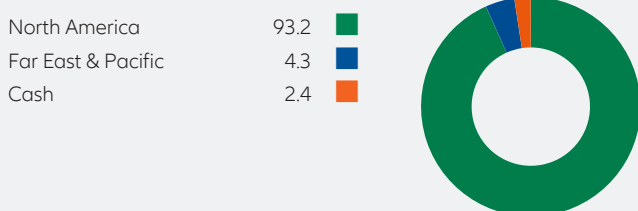
Information Technology	89.8	<div style="width: 89.8%;"></div>
Consumer Discretionary	7.7	<div style="width: 7.7%;"></div>
Cash	2.4	<div style="width: 2.4%;"></div>

Top Ten Holdings (%)

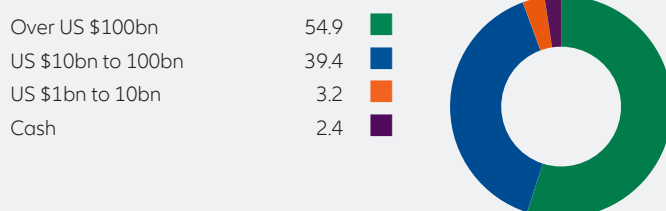
Microsoft	8.3
Nvidia	7.0
Apple	6.2
Alphabet - A shares	4.8
Meta	4.1
Broadcom	3.5
Amazon	3.4
Lam Research	3.1
Monolithic Power Systems	3.0
Micron Technology	2.6

Total number of holdings 44

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

Sam Davis (appointed 1 January 2024)

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.



Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors may not get back the full amount invested. The views and opinions expressed herein, which are subject to change without notice, are those of the issuer and/or its affiliated companies at the time of publication. The data used is derived from various sources, and assumed to be correct and reliable, but it has not been independently verified; its accuracy or completeness is not guaranteed and no liability is assumed for any direct or consequential losses arising from its use, unless caused by gross negligence or wilful misconduct. The conditions of any underlying offer or contract that may have been or will be made or concluded shall prevail. For further information contact the issuer at the address indicated below.

All data source Allianz Global Investors as at 31.12.23 unless otherwise stated.

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