

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 (31.12.2023). 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 £1,504.4m **Shares in Issue** 386,685,609 (Ordinary 2.5p) **Market Cap** £1,328.3m

Share Price
343.5p

NAV per Share
389.1p

Premium/-Discount
-11.7%

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 29.02.24 unless otherwise stated.

Fund Manager's Review

Portfolio Overview

Allianz Technology Trust's Net Asset Value (NAV) total return was 9.96% in February, compared to the Dow Jones World Technology Index return of 7.25%.

Monthly outperformance was due to a combination of bottom-up stockpicking and an allocation tailwind. Specifically, favourable stock selection and an active overweight allocation to semiconductors, the benchmark's top industry performer, aided results as did a below-benchmark allocation in technology hardware, followed by stockpicking in IT services, software and interactive media stocks. Meanwhile, allocation to hotels, restaurants and the leisure industry offset results for the month.

Contributors

Our active underweight allocation in iPhone and personal computer maker **Apple Inc.** contributed to relative results again this month as the company continues to underperform due to a lack of near-term catalysts and declining sales in China, citing higher competition from local providers. The overexposure to China from a manufacturing standpoint is also increasingly a concern, with any parts or supply chain disruptions potentially impacting the company's ability to fill orders. In addition, the company announced that they were cancelling their electric car program, abandoning a decade long effort. We continue to hold the stock given its significant benchmark weight and history of innovation, and for now will remain at a larger-than-typical underweight due to the moderation in investor sentiment.

Similarly, our meaningful below-benchmark weight in search engine, advertising and enterprise solutions giant **Alphabet Inc.** also contributed to relative results in February. The stock was modestly lower for the month due in part to 'inline cloud' results and lackluster advertising revenue growth. Negative momentum around the company's artificial intelligence (AI) strategy, including questionable results for their Gemini

“ **Earnings growth looks poised to expand in 2024 and should be conducive to a broadening of performance further down the market capitalisation (cap) spectrum**

realistic-looking image generation feature, also impacted investor sentiment. While we believe these concerns can likely be addressed and the company's Google search platform and advertising strength is likely to continue, we made the decision to reduce our weight in the stock in favour of companies with a better near-term risk/reward profile.

Other top monthly contributors included **Okta Inc.**, a leading provider of cloud identity solutions designed to secure apps, logins and devices, **Monolithic Power Systems, Inc.** a provider of high-performance, semiconductor-based power electronics solutions and **Amazon.com**, the online retail and cloud services giant.

Detractors

Our exposure to **MercadoLibre, Inc.** the largest online commerce platform in Latin American, offset performance following earnings results which fell short of expectations. Specifically, their reported gross merchandise value (GMV), (which measures the total value of goods sold on a platform or marketplace over a specific period of time) and revenues beat expectations, while the overall gross margin fell short of expectations due to costs associated with building out their logistics network combined with a loyalty program which offers free shipping. Our expectation is that GMV could accelerate further, thanks in part to a push into other categories including food, combined with the company's dominant position in the region which may continue to gain share. The company also has a budding fintech business, which has been providing a competitive advantage and could help grow earnings in the future. Our conviction and position in the stock as a portfolio holding remains unchanged thanks to their unique combination of leadership in e-commerce coupled with accelerating growth in fintech.

Shares of **Shopify, Inc.** an e-commerce platform designed to help businesses build an online presence and merchant platform, were lower despite better-than-expected topline and earnings results. The market was focused on their forward-looking guidance and the implication for declining margins, impacted by slightly higher operating expenses. The company announced an increase in monthly minimum prices for clients



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.

and a continuation of other value-added services such as payments and capital lending which could help drive margin expansion in the future. We continue to hold shares given their strong e-commerce leadership position, potential for margin expansion and incremental growth drivers which may be underappreciated by investors.

Other detractors included our above-benchmark exposure to cyber security pure play **Palo Alto Networks, Inc.**, infrastructure software solutions provider **Snowflake Inc.** and online travel and reservation services provider **Expedia Group, Inc.**

Market Outlook

2024 is off to a solid start from both an absolute and relative return perspective. Technology shares have advanced thanks to earnings results and expectations of more accommodative interest rates from the U.S. Federal Reserve and other central banks. This backdrop for normalising monetary policy should be conducive for economic growth to accelerate during the calendar year as lower rates and easier financial conditions should translate to better demand, easier access to capital and increased investment in high return-on-investment projects. Earnings growth looks poised to expand in 2024 and should be conducive to a broadening of performance further down the market capitalisation (cap) spectrum, away from the mega-caps. There are likely 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 for 2024.

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 fundamentals factors. Despite short term periods of higher volatility among technology stocks, earnings growth ultimately drives stock prices over the long term, and in our view, we are still early in the spending trend supporting this dynamic segment. We are excited about the investment opportunities presented, and believe our research-driven, bottom-up process is the most effective means to capture the value generated by this theme.

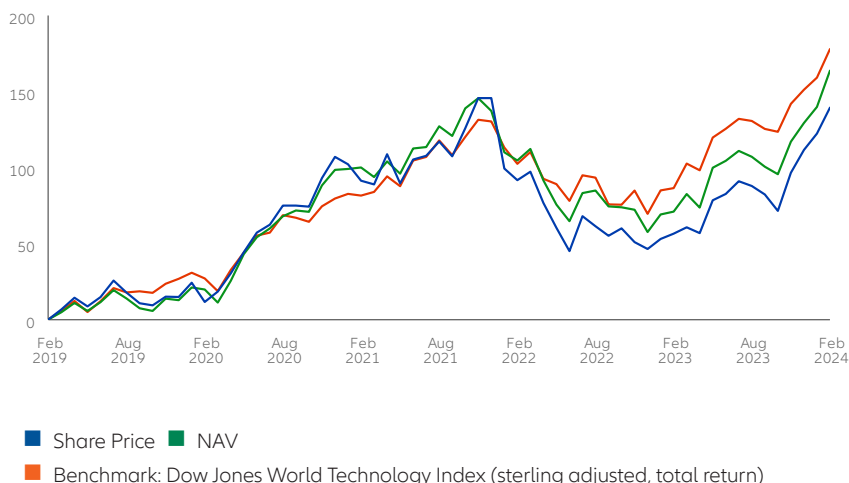
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets - particularly for bottom-up stock pickers with proven long-term selection capabilities.

Mike Seidenberg
15 March 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	21.8	27.5	53.0	25.1	139.4
NAV	21.5	27.4	55.2	32.6	165.2
Benchmark	14.9	20.5	49.1	53.1	177.9

Discrete 12 Month Returns to 29 February (%)

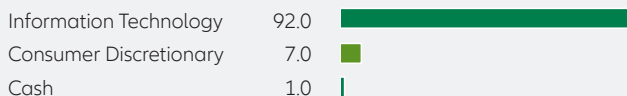
	2024	2023	2022	2021	2020
Share Price	53.0	-18.4	0.2	71.6	11.5
NAV	55.2	-16.5	2.3	67.1	19.7
Benchmark	49.1	-7.9	11.5	42.9	27.0

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 29.02.24. 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 (%)



Top Ten Holdings (%)

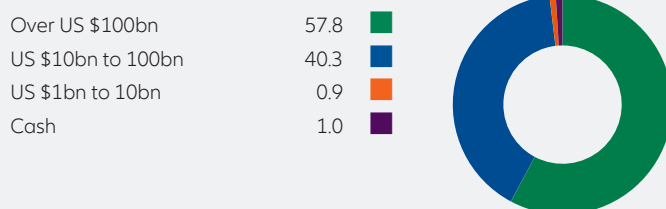
Nvidia	9.9
Microsoft	8.1
Meta	6.0
Apple	5.1
Broadcom	4.2
Amazon	4.1
Alphabet - A shares	3.3
Lam Research	3.3
Advanced Micro Devices	2.8
Monolithic Power Systems	2.5

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)

Sam Davis

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 29.02.24 unless otherwise stated.

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