

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

This is a marketing communication. Please refer to the Key Information Document (KID) before making any final investment decisions.



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 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 Kirsten Salt
Investment Managers	Mike Seidenberg (Lead Portfolio Manager) Erik Swords (Portfolio Manager)
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 £1,662.1m **Shares in Issue** 384,022,319 (Ordinary 2.5p) **Market Cap** £1,522.6m

Share Price
396.5p

NAV per Share
432.8p

Premium/-Discount
-8.4%

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 30.06.24 unless otherwise stated.

Fund Manager's Review

Portfolio review

Allianz Technology Trust's Net Asset Value (NAV) total return was 10.12% in June, compared to the Dow Jones World Technology Index return of 9.31%.

Technology stocks rallied strongly in June thanks to the combination of earnings reports and optimism over an economic recovery, with headline inflation slowing to a 3-month low. Semiconductors continued their strong performance pace and software rebounded meaningfully following headwinds in prior months, while electronic equipment names lagged. There was a continuation of the relative outperformance of mega-cap and growth stocks, with a handful of companies accounting for a meaningful percentage of the benchmark performance.

Monthly relative results outpaced the benchmark due to positive bottom-up stockpicking, which more than offset the impact from greater exposure in the large and mid-cap segments of the market. Performance was led by outsized gains in the semiconductor, software and interactive media and services industries. This was offset partially by short-term selections in technology hardware and storage as well as modest exposure to headline retail (retailers who offer a wide range of products and merchandise to consumers).

Contributors

Our top performer for the month was **CyberArk Software Ltd.**, an identity management platform provider. Shares rallied following strong upside earnings results in the prior month, as a marked improvement in software sentiment translated to consistent gains throughout June in an otherwise news-light period.

An above-benchmark allocation to **Broadcom Inc.**, a supplier of semiconductor, infrastructure and cyber security solutions, aided results thanks to the continued strength in chip stocks combined with the rebound in cyber pure plays. The company's stock price accelerated following outsized earnings results and an upbeat forecast, buoyed by demand for artificial intelligence (AI)-related solutions. The stock remains a top holding in the portfolio due to its proven track record and diversified exposure across key technology themes.

“ We anticipate a potential broadening of performance across industries and market capitalisations

Similarly, shares of **Lam Research Corp.**, a supplier of innovative wafer fabrication equipment and services to the semiconductor industry, also advanced due to positive industry momentum and expectations of a revenue and profit acceleration within the industry. We continue to hold the stock given that the company's leading technologies combined with the secular growth in AI-related applications could translate to greater demand for the company's advanced tools for high bandwidth memory chips.

Shares of cloud-based data monitoring and analytics platform **Datadog Inc.** and data centre and cloud networking solutions provider **Arista Networks, Inc.** also contributed to performance during the month.

Detractors

Data storage and solutions provider **Western Digital Corp.** offset relative results as the company's share price was flat in June following gains in the prior seven months. Investors are monitoring the proposed spinoff of their flash storage business, which is anticipated to be completed in the second half of this year, and the corresponding impact on its balance sheet. The company remains well-positioned to capitalise on their broad-based product portfolio to capture growth in digital content, which could translate to consistent growth and favourable margin trends.

Our avoidance of digital marketing and creative software developer **Adobe Inc.** offset results as the company's share price rebounded, following declines in the prior four months, as earnings results were led by a greater-than-expected adoption of the company's new AI-based tools. We continue to remain on the sidelines, given expectations of greater competition in the space alongside our preference for other software names with a higher degree of earnings visibility and a better alpha (the excess return to a benchmark) profile.

Shares of **HubSpot, Inc.**, a cloud-based customer relationship management platform, declined slightly in June, offsetting speculation of a potential rumoured takeover bid for the company. There was little in the way of new news, besides an announcement at the end of the month that the company was investigating a cybersecurity incident with hackers attempting to gain unauthorised access to accounts. Overall, the relative performance differential appeared to be due to investors preferring other names within the technology sector which have potentially more visible near-term catalysts.



Mike Seidenberg, Lead Portfolio Manager

Michael Seidenberg is a senior portfolio manager for the global technology strategies and an equity analyst on the fundamental thematic team at Voya Investment Management. He joined the firm following Voya's integration of certain assets and teams comprising the substantial majority of Allianz Global Investors U.S. business, where he was a portfolio manager, analyst and director on the U.S. global technology team. Prior to that, he worked at a number of hedge funds, including Pequot Capital, Andor Capital and Citadel Investment Group. He also worked in the software industry and at Oracle Corporation. Michael earned a BS in business administration from the University of Colorado and an MBA with concentrations in finance and accounting from Columbia Business School.

An overweight allocation to microprocessor and devices maker **Advanced Micro Devices, Inc.** offset results as did a below-benchmark allocation to **Oracle Corp.**, which rebounded following stronger-than-expected bookings.

New buys and sells

Portfolio turnover remained fairly low in June, echoing our viewpoint that the portfolio was already well-positioned from a bottom-up and top-down thematic standpoint. In mid-June we purchased shares of enterprise and database software provider **Oracle Corp.** following the company's positive earnings and favourable guidance, and with their cloud infrastructure opportunity likely to drive incremental growth. We also purchased entertainment services leader **Netflix, Inc.** due to its scale, engagement and diversified content which is likely to facilitate market share, particularly post the password sharing crackdown, which is expected to benefit advertising growth. We funded these new buys via the exit of **Darktrace Plc.**, a UK based application software provider which leverages AI and machine learning to detect cyber-threats which was essentially trading for cash following a takeover announcement in late April. We also sold our stake in customer relationship management platform **Salesforce.com** due to a more muted growth outlook as corporate clients are increasingly spending incrementally on other areas in technology.

Outlook

Technology earnings results have been broadly positive and we continue to believe that the equity market rally can extend into the second half of the year. There has been a wider-than-typical performance differential between key technology industries in recent months as AI-related euphoria translated into divergent outcomes. Areas like semiconductors and hardware deemed as more direct plays on the AI trade were among the recent outperformers. However, software and IT services lagged due to their muted guidance and interest rate sensitivity, as expectations for the number of rate cuts by the Federal Reserve, the US central bank, have been lowered from six to under two, over the year-to-date period.

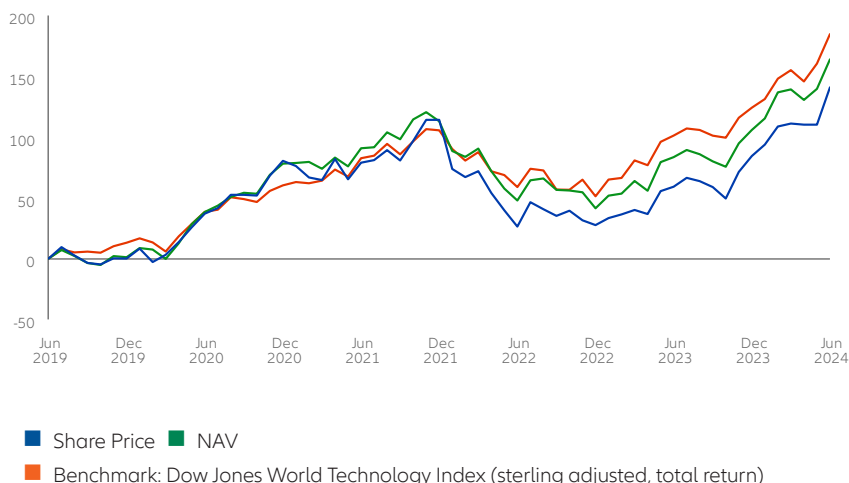
We anticipate a potential broadening of performance across industries and market capitalisations, consistent with a more normalised environment. Global economic conditions remain healthy, as labour markets, corporate earnings and consumer spending have been resilient. Valuations continue to be reasonable and we believe there is the potential for upward revenue and earnings estimates should we see a better spending environment in the second half of the year, but we continue to make sure we have exposures in subsectors who will receive budgetary allocations. Uncertainty in terms of geopolitical tensions, the U.S. Presidential elections and the timing and the level of U.S. Federal Reserve and other central bank interest rate cuts may translate to periods of rising volatility in the coming months.

Mike Seidenberg
18 July 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. Past performance does not predict future returns.

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	14.1	30.6	51.3	34.6	140.9
NAV	10.3	28.0	44.4	38.9	164.9
Benchmark	11.6	27.0	41.5	55.9	184.7

Discrete 12 Month Returns to 30 June (%)

	2024	2023	2022	2021	2020
Share Price	51.3	26.0	-29.4	30.6	37.0
NAV	44.4	24.1	-22.5	37.8	38.4
Benchmark	41.5	26.7	-13.0	31.8	38.5

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 30.06.24. Copyright 2024 © 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	92.1	<div style="width: 92.1%;"></div>
Consumer Discretionary	6.2	<div style="width: 6.2%;"></div>
Cash	1.6	<div style="width: 1.6%;"></div>

Top Ten Holdings (%)

Nvidia	11.9
Microsoft	7.9
Meta	6.2
Apple	6.1
Broadcom	4.7
Amazon	4.1
Alphabet - A shares	3.9
Lam Research	3.4
Micron Technology	3.2
Monolithic Power Systems	2.6

Total number of holdings 43

Geographic Breakdown (%)

North America	90.8	<div style="width: 90.8%;"></div>
Middle East	3.4	<div style="width: 3.4%;"></div>
Far East & Pacific	2.6	<div style="width: 2.6%;"></div>
Europe ex UK	1.5	<div style="width: 1.5%;"></div>
Cash	1.6	<div style="width: 1.6%;"></div>

Market Cap Breakdown (%)

Over US \$100bn	70.4	<div style="width: 70.4%;"></div>
US \$10bn to 100bn	27.2	<div style="width: 27.2%;"></div>
US \$1bn to 10bn	0.8	<div style="width: 0.8%;"></div>
Cash	1.6	<div style="width: 1.6%;"></div>

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)

Neeta Patel (Senior Independent Director)

Sam Davis

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:

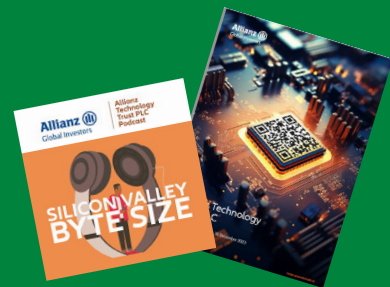
0800 389 4696

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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 30.06.24 unless otherwise stated.

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