

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 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 £1,517.1m **Shares in Issue** 386,685,609 (Ordinary 2.5p) **Market Cap** £1,343.7m

Share Price
347.5p

NAV per Share
392.3p

Premium/-Discount
-11.4%

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 31.03.24 unless otherwise stated.

Fund Manager's Review

Portfolio Overview

Allianz Technology Trust's Net Asset Value (NAV) total return was 1.03% in March, compared to the Dow Jones World Technology Index return of 2.82%.

After a strong start to the first two months of the calendar year, monthly performance results trailed the benchmark in March due to short-term stock picking. A below-benchmark allocation and positive stock selection in technology hardware contributed to results as did bottom-up selections in communications equipment. Alternatively, stock-specific results in software, IT services and interactive media industries offset results for the month.

Contributors

Our relative underweight benchmark position of the iPhone and personal computer maker **Apple Inc.** contributed to relative performance for the third month in a row given its significant double-digit benchmark weight and negative return. The company continues to underperform its broad **technology** peers amid the lack of near-term catalysts alongside greater competition and slowing growth in China, translating to weak near-term investor sentiment. Our allocation to the stock was unchanged during the month and we continue to hold shares given their sizeable benchmark weight and history of innovation, and will remain at a larger-than-typical underweight until there are new data points to change our investment thesis.

Shares of **Micron Technology**, a leading provider of memory and related chips, rallied thanks to upside revenue and earnings results combined with a strong sales forecast which was buoyed by demand for artificial intelligence hardware. Expectations of tight semiconductor supply, particularly high-bandwidth-memory chips, increasing demand and normalization of excess inventory all of which are translating to industry price improvements. The stock is a top-10 portfolio weight and remains

“ **Technology stocks have been among the best market performers during the first quarter thanks to positive earnings results, robust outlooks for the coming quarters and expectations of more accommodative interest rates** ”

attractive as a portfolio holding, due to its leadership position in memory and storage solutions, combined with long-term economic trends that help feed market growth for next generation technologies.

Other top monthly contributors included an active overweight to **Western Digital Corp.**, a leading data storage security and solutions provider, the avoidance of digital marketing and creative software developer **Adobe Inc.**, and a below-benchmark allocation to cloud storage and enterprise software leader **Microsoft Corporation**.

Detractors

Our exposure to **MongoDB, Inc.** a leading, modern-general purpose database provider, offset results following their quarterly earnings announcement. While the company posted solid earnings results, it provided a weaker-than-expected outlook, which was deemed conservative by many sell-side analysts, opening the door for debate that competition may be increasing at a higher level than previously anticipated. Our viewpoint is that management was providing an overly cautious guidance to offset any potential unforeseen macro headwinds and in terms of holding within the portfolio, we see plenty of levers to upside in both growth and margins. As such, we continue to hold the stock at its existing weight given the favourable alpha vs. risk profile.

Shares of **Zscaler**, a cloud-based security platform, also offset results. The cyber security leader posted upside earnings results yet was impacted by lofty expectations as the market was anticipating higher billings guidance to sustain recent performance. We feel this could be an example of expectations getting ahead of the stock and there's no change to our thesis based upon the earnings update.



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 above-benchmark exposure to application and search-powered software solutions provider **Elastic NV**, an overweight allocation to infrastructure software solutions maker **Snowflake Inc.** and exposure to semiconductor-based power electronic solutions provider **Monolithic Power Systems, Inc.**

Market Outlook

2024 continues to be off to a strong start from both an absolute and relative return perspective. Technology stocks have been among the best market performers during the first quarter thanks to positive earnings results, robust outlooks for the coming quarters and expectations of more accommodative interest rates from the U.S. Federal Reserve and other central banks. A more normalized monetary policy could translate to better economic growth and higher return-on-investment projects. Earnings growth looks poised to expand in 2024 and should be conducive for a broadening of performance down market capitalisation (cap) spectrum, away from the mega-caps. The merger & acquisition environment could accelerate for both public and private companies. Valuations remain reasonable, particularly following a strong finish to the prior calendar year and we believe there is room for estimates to increase which could be a primary driver of performance over the course of the year.

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.

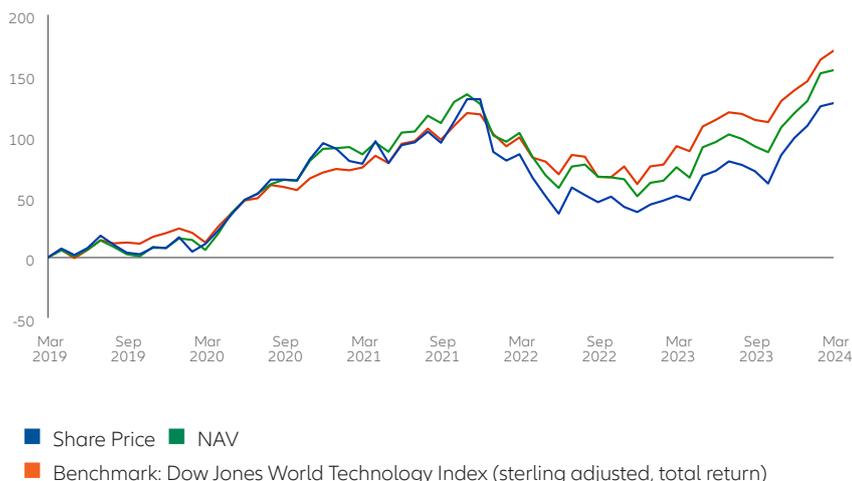
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets — particularly for bottom-up stock pickers with proven long-term selection capabilities.

Mike Seidenberg
18 April 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	14.5	32.9	50.8	28.2	127.1
NAV	16.2	32.9	46.9	38.4	155.7
Benchmark	13.8	26.8	41.1	55.4	170.4

Discrete 12 Month Returns to 31 March (%)

	2024	2023	2022	2021	2020
Share Price	50.8	-18.6	4.4	59.6	11.0
NAV	46.9	-14.0	9.5	74.3	6.1
Benchmark	41.1	-3.6	14.3	55.1	12.2

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 31.03.24. 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 (%)

Information Technology	90.2	<div style="width: 90.2%;"></div>
Consumer Discretionary	6.4	<div style="width: 6.4%;"></div>
Cash	3.4	<div style="width: 3.4%;"></div>

Top Ten Holdings (%)

Nvidia	9.5
Microsoft	8.1
Meta	6.8
Apple	4.8
Broadcom	4.2
Amazon	4.2
Alphabet - A shares	3.5
Lam Research	3.4
Micron Technology	3.2
Monolithic Power Systems	2.3

Total number of holdings 42

Geographic Breakdown (%)

North America	87.9	<div style="width: 87.9%;"></div>
Middle East	4.3	<div style="width: 4.3%;"></div>
Far East & Pacific	2.2	<div style="width: 2.2%;"></div>
Europe ex UK	1.9	<div style="width: 1.9%;"></div>
UK	0.3	<div style="width: 0.3%;"></div>
Cash	3.4	<div style="width: 3.4%;"></div>

Market Cap Breakdown (%)

Over US \$100bn	58.6	<div style="width: 58.6%;"></div>
US \$10bn to 100bn	36.7	<div style="width: 36.7%;"></div>
US \$1bn to 10bn	1.3	<div style="width: 1.3%;"></div>
Cash	3.4	<div style="width: 3.4%;"></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)

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:

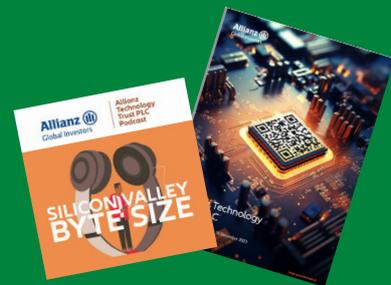
0800 389 4696

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 31.03.24 unless otherwise stated.

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