

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 Walter Price who has 40 years of experience of investing in technology. He is Co-Head of the AllianzGI Global Technology Team which currently manages \$4bn in assets under management.

At the Heart of the Industry

Allianz Technology Trust is managed by the highly experienced AllianzGI 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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Source and copyright of Citywire. Walter Price is 'A' rated by Citywire for his three year risk-adjusted performance for the period 30.09.2017 to 30.09.2020. Citywire awards apply to the Manager, rather than the Fund.

Total Assets £1,029.0m **Shares in Issue** 40,842,168 (Ordinary 25p) **Market Cap** £1,025.1m

Share Price

2510.0p

NAV per Share

2519.5p

Premium/-Discount

-0.4%

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.

Fund Manager's Review

Portfolio Overview

The Allianz Technology Trust's NAV returned 2.3% in September, outperforming the Dow Jones World Technology Index return of -1.0%. During the month, stock selection and industry allocation contributed to relative performance. For the year to date period, the Trust returned 52.4%, significantly outperforming the benchmark return of 31.7%.

Our position in Zoom Video was the top relative contributor during the period after reporting quarterly financial results far ahead of expectations, driven by 355% year-on-year revenue growth. Zoom provides a video-first communications platform that changes how people interact. The company has been making extensive investments in security and artificial intelligence technology to help make meetings more productive, transparent, and useful. Zoom believes these new meeting features will differentiate their services and drive a higher penetration of paid users versus free usage. During the pandemic, tens of millions of new customers have flocked to the platform with employees attending meetings while working from home, students engaging in remote learning setups, and individuals maintaining contact with their personal networks. Zoom is a clear beneficiary from remote worker and social distancing trends.

Our position in security software vendor CrowdStrike was also a top relative contributor during the period after reporting quarterly financial results well ahead of consensus expectations and also above its guided range. The company delivered strong revenue, Earnings per Share (EPS), and annual recurring revenue (ARR) growth, while management's

“ the importance of technology is key to the prosperity of most industries

guidance was stronger than consensus estimates for fiscal Q3 and the full fiscal year. ARR grew 87% year-on-year, demonstrating that CrowdStrike is benefiting from an acceleration in digital transformation which provides a strong and sustainable tailwind. CrowdStrike continues to execute on its platform strategy, with the percentage of customers subscribing to four products or more increasing to 57% from 55% last quarter and 50% in the year-ago period. The higher contribution suggests CrowdStrike is growing increasingly strategic to its customers.

Other top active contributors included underweight positions in Apple and Microsoft and an overweight position in Datadog.

Our position in electric vehicle maker, Tesla, was the top relative detractor during the period. Shares consolidated year-to-date gains after the company announced a share issuance plan and was passed over for inclusion in the S&P 500 Index. Shares regained their footing ahead of the much-anticipated Battery Day but subsequently sold off again as many of the new product announcements and developments are several years from production. Among the announcements was a dramatic decrease in battery costs fueled by investments the company has made in its own supply capabilities, which could enable the production of a vehicle at a low \$25K price point in the next few years. With the rapid scaling of their vehicle production and further planned capacity, our earnings power estimates have increased significantly over the past several months. We remain constructive on shares while acknowledging the sensitivity to the cash flow outlook.



Walter Price CFA, Portfolio Manager

Allianz Technology Trust PLC is managed by Walter Price who is a Managing Director and Co-Head of the AllianzGI Technology Team in San Francisco, having joined in 1974. Walter is a current Director and past president of the M.I.T. Club of Northern California. He also heads the Educational Council for M.I.T. in the Bay Area and is a past Chairman of the AIMR Committee on Corporate Reporting for the computer and electronics industries.

Our position in Amazon.com was also a top relative detractor as shares pulled back following very strong year-to-date performance. The company has been a key beneficiary of stay-at-home orders during the pandemic as consumers have turned to Amazon to get supplies, including groceries. The benefits to the company from the coronavirus are likely to continue as the current public health situation is causing more physical stores to remain closed. In addition, changes in consumer behavior around online ordering for items such as groceries could be sustained even after the pandemic is under control. The company's web-hosting business has also benefitted as consumer and corporate usage has surged. Amazon Web Services (AWS) is poised to become one of the largest computing platforms in the world over time and Amazon is poised to deliver continued growth in both AWS and its retail business.

Other top active detractors included an underweight position in Alibaba and not owning Broadcom or Intel.

Market Outlook

In our view, the technology sector continues to benefit from strong tailwinds which should continue to drive attractive long-term appreciation. There is no question in our minds that the present events around the COVID-19 crisis will spur the use of technology and change how we live and work in the future. As companies adjust budgets due to supply and/or demand disruptions, the need for companies to reduce costs should accelerate the move to cheaper and more productive solutions such as cloud, software-as-a-service, artificial intelligence, cyber security, etc. We are in a period of rapid change, where the importance of technology is key to the prosperity of most industries. This environment is likely to provide attractive growth opportunities in many technology stocks over the next several years.

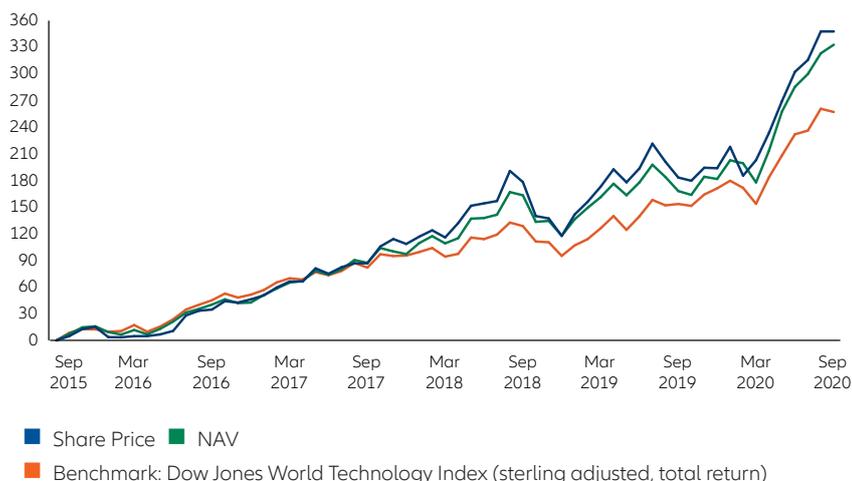
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets – especially for bottom-up stock pickers.

Walter Price
15 October 2020

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	11.3	47.8	58.1	139.7	347.8
NAV	11.4	54.6	60.0	128.4	327.9
Benchmark	7.6	40.7	40.8	96.3	257.1

Discrete 12 Month Returns to 30 September (%)

	2020	2019	2018	2017	2016
Share Price	58.1	1.8	49.0	38.7	34.7
NAV	60.0	1.5	40.6	33.5	40.3
Benchmark	40.8	10.9	25.7	25.4	45.1

Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 30.09.20. Copyright 2020 © 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 is not a reliable indicator of future returns. You should not make any assumptions on the future on the basis of performance information. The value of an investment and the income from it can fall as well as rise as a result of market fluctuations and you may not get back the amount originally invested.

Portfolio Breakdown

Sector Breakdown (%)

Technology	70.4	<div style="width: 70.4%;"></div>
Consumer Goods	11.2	<div style="width: 11.2%;"></div>
Industrials	9.3	<div style="width: 9.3%;"></div>
Consumer Services	4.0	<div style="width: 4.0%;"></div>
Health Care	1.0	<div style="width: 1.0%;"></div>
Financials	0.4	<div style="width: 0.4%;"></div>
Cash	3.8	<div style="width: 3.8%;"></div>

Top Ten Holdings (%)

Apple	6.1
Amazon	4.1
Zoom Video Communications	3.4
CrowdStrike	3.4
Tesla	3.3
Facebook	3.2
Zscaler	3.0
Paycom Software	2.9
Square	2.8
Samsung	2.6

Total number of holdings 70

Geographic Breakdown (%)

North America	88.5	<div style="width: 88.5%;"></div>
Far East & Pacific	5.0	<div style="width: 5.0%;"></div>
Europe ex UK	1.8	<div style="width: 1.8%;"></div>
UK	0.9	<div style="width: 0.9%;"></div>
Cash	3.8	<div style="width: 3.8%;"></div>

Market Cap Breakdown (%)

Over US \$100bn	39.2	<div style="width: 39.2%;"></div>
US \$10bn to 100bn	50.8	<div style="width: 50.8%;"></div>
US \$1bn to 10bn	6.2	<div style="width: 6.2%;"></div>
Cash	3.8	<div style="width: 3.8%;"></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.

Key Information

Launch Date	December 1995
AllianzGI Appointment	April 2007
Continuation Vote	2021 AGM
AIC Sector	Specialist Sector: Technology, Media & Telecoms
Benchmark	Dow Jones World Technology Index (sterling adjusted, total return)
Annual Management Charge	0.8% for any market capitalisation up to £400m, 0.6% for any market capitalisation between £400m and £1 billion, and 0.5% for any market capitalisation over £1 billion
Performance Fee ¹	Yes
Ongoing Charges ²	0.92%
Year End	31 December
Annual Financial Report	Final published in March, Half-yearly published in August
AGM	May
NAV Frequency	Daily
Price Information	Financial Times, The Daily Telegraph, www.allianztechnologytrust.com
Company Secretary	Eleanor Emuss
Investment Manager	Walter Price
Codes	RIC: ATT.L SEDOL: 0339072

1. Calculated as 12.5% of the outperformance of the NAV compared to the indexed NAV over the performance period. The fee is capped at a maximum of 2.25% of the Trust's NAV at the year-end.

2. Source: AIC, as at the Trust's Financial Year End (31.12.2019). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses incurred in the running of the company but excluding financing costs.

Board of Directors

Robert Jeens (Chairman)
Humphrey van der Klugt (Chairman of the Audit Committee and Senior Independent Director)
Neeta Patel
Elisabeth Scott

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 30.09.20 unless otherwise stated.

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