

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 30.09.2016 to 30.09.2019. Citywire awards apply to the Manager, rather than the Fund.

Total Assets £545.3m

Shares in Issue 35,182,168 (Ordinary 25p)

Market Cap £551.7m

Share Price

1568.0p

NAV per Share

1549.9p

Premium/-Discount

1.2%

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 -1.6% in October, underperforming the Dow Jones World Technology Index return of -0.9%. During the month, stock selection contributed and industry allocation detracted from relative performance.

Our position in video streaming platform provider, Roku, was the top relative contributor. Shares recovered a large portion of their value lost in the prior month as investors digested the recent competitive products announced by Comcast and Facebook. Additionally, Roku announced that the Apple TV+ streaming service would be available on its platform, which validated the company's position as a leading aggregator. Our view is that the company continues to be uniquely positioned as an independent platform with highly advantageous direct relationships with TV manufacturers and is a direct beneficiary of the secular trend towards streaming.

Our position in electric vehicle maker, Tesla, was also among the top relative contributors during the period. Shares gained after the company reported a surprise profit and provided other positive updates in the latest quarterly report. Beyond the financial results, the CEO announced the company was ahead of schedule on key initiatives such as the opening of a Chinese factory and the release of the Model Y cross-over vehicle. We are encouraged by the strong financial results this quarter, but acknowledge the high variability of cash flows given the capital intensity of the company's strategy. This variability of cash flows makes the shares more sensitive to changes in business trajectory and the perception of

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capital conditions. We are mindful of this sensitivity and manage the position size in the portfolio to reflect these issues.

Other top active contributors included overweight positions in RingCentral, Advanced Micro Devices, and AVEVA.

Our position in cloud security company Zscaler was a top relative detractor during the period. Investors have been concerned about management's conservative guidance for growth in 2020, raising concerns of potential increased competitive risks. Customers are increasingly adopting Zscaler's products, which provide a single platform to enforce business and security policy for their users to access multiple applications and services. Additionally, customers were seeing a quick return on their investment, which was a very strong selling point for Zscaler relative to competitors.

Our position in Proofpoint was also a top relative detractor in October. The company reported solid quarterly results that slightly exceeded consensus expectations for billings, revenue, and earnings. However, the company reiterated full-year guidance, which results in a slightly lower fourth-quarter guide. Given the strength in the underlying business and the demand environment, this is likely conservative guidance. The highlights for the quarter were strength in the company's new security products as well as strong performance in the core products. Proofpoint's portfolio approach to developing new products and markets should help it deliver sustainable and consistent growth in a dynamic market. The use of bundling to simplify sales processes should also help the company capture more market share and drive faster returns on newer products. Proofpoint is benefiting from several growth drivers, and the power of its software-as-a-service model is beginning to generate leverage and



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.

produce solid free cash flow growth.

Other top active detractors included an underweight position in Apple and overweight positions in Temenos and Alteryx.

Market Outlook

In our view, the technology sector continues to benefit from strong tailwinds which should continue to drive attractive long term appreciation. The digital transformation is the top priority for many companies across the economy, as these technologies are increasingly becoming critical drivers of growth, productivity, and competitive positioning. If IT budgets must be cut in an economic slowdown, management teams are reporting that the budget for the digital transformation will be the last to be reduced. This transition is a multi-year process, and we believe we are still in the fairly early stages. For the semiconductors and hardware segments, we expect the environment to remain mixed as companies work through production and inventory adjustments amid the trade conflict between the US and China. From a fundamental perspective, these companies are much stronger after years of consolidation, and we expect growth to reaccelerate in 2020. We maintain exposure to companies that we believe will benefit from secular growth themes. Despite periods of volatility driven by geopolitical uncertainty, we expect the broad technology sector to see attractive growth in the future.

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. The growth in technology is coming from the creation of new markets, rather than simply gross domestic product growth.

Despite high valuations for some high growth companies, we continue to see massive addressable markets much larger than the revenue today. However, we have consolidated our exposure to these areas in select companies having the most compelling solutions and whose business models demonstrate a discernible path to deliver strong earnings and cash flow growth over the next few years.

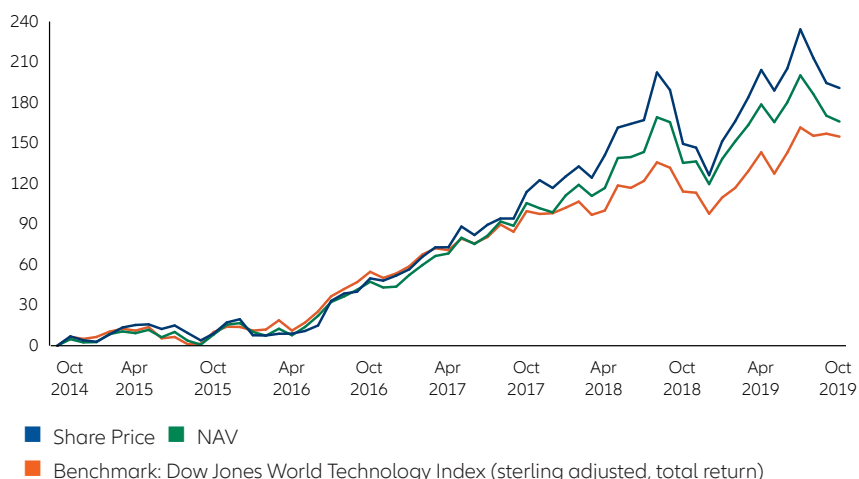
We continue to carefully balance risks and opportunities going forward, leveraging our industry expertise, and emphasising individual stock selection.

Walter Price
13 November 2019

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	-13.0	-4.4	16.6	94.1	190.8
NAV	-11.4	-4.7	12.7	80.0	165.3
Benchmark	-2.6	4.8	19.0	64.7	154.8

Discrete 12 Month Returns to 31 October (%)

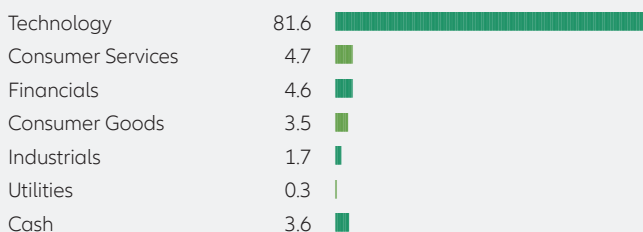
	2019	2018	2017	2016	2015
Share Price	16.6	16.7	42.7	37.4	9.0
NAV	12.7	14.5	39.5	36.0	8.3
Benchmark	19.0	7.3	29.0	40.5	10.1

Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 31.10.19. Copyright 2019 © 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 (%)

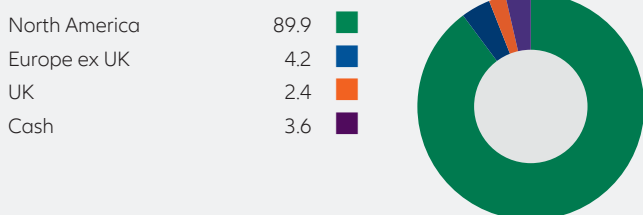


Top Ten Holdings (%)

Microsoft	7.8
Facebook	4.4
Taiwan Semiconductor	3.4
Advanced Micro Devices	3.2
Apple	3.2
Alphabet - A shares	3.0
Paycom Software	2.9
Mastercard	2.8
Teradyne	2.5
RingCentral	2.4

Total number of holdings 70

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.

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% p.a. on market capitalisation up to £400 million and 0.6% p.a. thereafter. In addition there is an admin fee of £55,000 p.a.
Performance Fee ¹	Yes
Ongoing Charges ²	0.93%
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: ATTL 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 (31.12.2018). The figure is annualised to reflect the 13 month period for the year end to 31.12.18. Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses including Annual Management Fee.

Board of Directors

Robert Jeens (Chairman)
Humphrey van der Klugt (Chairman of the Audit Committee and Senior Independent Director)
Richard Holway MBE
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 31.10.19 unless otherwise stated.

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