

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 over 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 31.01.2018 to 31.01.2021. Citywire awards apply to the Manager, rather than the Fund.

Total Assets £1,241.0m **Shares in Issue** 42,485,668 (Ordinary 25p) **Market Cap** £1,232.1m

Share Price
2900.0p

NAV per Share
2920.9p

Premium/-Discount
-0.7%

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 total return was 0.31% in January, underperforming the Dow Jones World Technology Index (sterling adjusted, total return) return of 1.70%. During the month, stock selection detracted and industry allocation contributed to relative performance.

Our position in electric vehicle maker, Tesla, was the top relative contributor. Shares gained ahead of the company's earnings announcement at the end of the period. The results were mixed with revenues exceeding expectations while operating profits disappointed, causing some pressure on the shares. Putting the report in context, the company grew revenues 46% year-on-year indicating strong market share gains, which typically coincides with pressure on earnings. We believe the company can sustain similar growth rates over many years and that investments Tesla makes today can scale to enhance its earnings power.

Our position in lithium ion battery producer, Samsung SDI, was also a top relative contributor during the period. The company reported quarterly financial results that missed expectations, but management provided a positive outlook across all major segments. Electric vehicle battery sales increased by more than 30% quarter-on-quarter as the company continued to capture market share. We believe Samsung SDI remains well positioned to benefit from the accelerating revolutionary transformation of the auto industry toward a new era of fully electric vehicles.

Other top active contributors included underweight positions in Apple and Facebook and not owning Adobe.

“ the need for companies to reduce costs should accelerate the move to cheaper and more productive solutions

Paycom Software was the top detractor from relative performance during the period. After a strong fourth quarter rally, shares pulled back as analysts expressed concern over valuation and coronavirus headwinds. Paycom provides cloud-based payroll and human capital management software in a software-as-a-service (SaaS) format to small and medium businesses in the US. The company's software provides unique value to customers because it typically replaces multiple systems and helps manage complex compliance requirements. The single database, ease of implementation, and high customer satisfaction should help Paycom continue to take market share in this market. We see the company as a unique cloud asset modernising the payroll market, which gives it the opportunity to continue experiencing double-digit revenue growth.

Our underweight position in Microsoft was also a top relative detractor. Microsoft delivered impressive quarterly financial results as revenues grew 17% year-on-year. It appears that impacts of COVID-19 and more rapid adoption of digital transformation among its customers is pulling through more sales across every segment of its business. Management also provided strong guidance reflecting the momentum across all its business lines. As COVID-19 crystallises the urgency of digital transformation, we believe Microsoft remains in an enviable strategic position to help customers along this journey, with a proven ability to execute across multiple vectors of growth. While we are positive on the company, we are underweight relative to the benchmark's large position in the stock.

Other top active detractors included underweight positions in Tencent and Alibaba and an overweight position in payments platform Adyen.

Market Outlook

In our view, the technology sector continues to benefit from strong tailwinds which should continue to drive attractive long-term appreciation.



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.

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 and cyber security. 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.

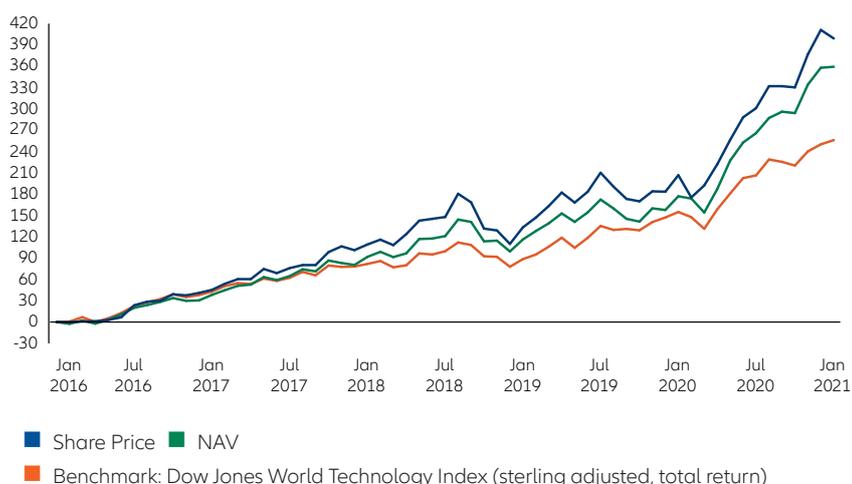
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets – especially for bottom-up stock pickers.

Walter Price
17 February 2021

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	16.0	24.5	62.7	138.7	399.1
NAV	16.5	24.5	64.4	136.6	353.7
Benchmark	11.2	16.2	39.7	95.9	256.1

Discrete 12 Month Returns to 31 January (%)

	2021	2020	2019	2018	2017
Share Price	62.7	31.5	11.5	43.9	45.3
NAV	64.4	27.7	12.7	38.6	38.3
Benchmark	39.7	35.2	3.7	27.3	42.8

Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 31.01.21. 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	73.6	<div style="width: 73.6%;"></div>
Consumer Goods	8.3	<div style="width: 8.3%;"></div>
Industrials	6.0	<div style="width: 6.0%;"></div>
Consumer Services	3.6	<div style="width: 3.6%;"></div>
Financials	1.4	<div style="width: 1.4%;"></div>
Health Care	0.8	<div style="width: 0.8%;"></div>
Telecommunications	0.5	<div style="width: 0.5%;"></div>
Cash	5.8	<div style="width: 5.8%;"></div>

Top Ten Holdings (%)

Alphabet - A shares	5.6
Amazon	4.1
Micron Technology	3.5
Samsung	3.2
CrowdStrike	3.1
Paycom Software	2.8
Zscaler	2.7
Twilio	2.6
Microsoft	2.6
Apple	2.6

Total number of holdings 74

Geographic Breakdown (%)

North America	84.7	<div style="width: 84.7%;"></div>
Far East & Pacific	6.7	<div style="width: 6.7%;"></div>
Europe ex UK	1.5	<div style="width: 1.5%;"></div>
UK	1.3	<div style="width: 1.3%;"></div>
Cash	5.8	<div style="width: 5.8%;"></div>

Market Cap Breakdown (%)

Over US \$100bn	34.9	<div style="width: 34.9%;"></div>
US \$10bn to 100bn	49.3	<div style="width: 49.3%;"></div>
US \$1bn to 10bn	10.0	<div style="width: 10.0%;"></div>
Cash	5.8	<div style="width: 5.8%;"></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% 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	0.92%
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	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 & Risk 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.



Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors may not get back the full amount invested. The views and opinions expressed herein, which are subject to change without notice, are those of the issuer and/or its affiliated companies at the time of publication. The data used is derived from various sources, and assumed to be correct and reliable, but it has not been independently verified; its accuracy or completeness is not guaranteed and no liability is assumed for any direct or consequential losses arising from its use, unless caused by gross negligence or wilful misconduct. The conditions of any underlying offer or contract that may have been or will be made or concluded shall prevail.

All data source Allianz Global Investors as at 31.01.21 unless otherwise stated.

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