

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 'AAA' rated by Citywire for his three year risk-adjusted performance for the period 31.05.2016 to 31.05.2019. Citywire awards apply to the Manager, rather than the Fund.

Total Assets £559.0m

Shares in Issue 34,202,168 (Ordinary 25p)

Market Cap £563.0m

Share Price

1646.0p

NAV per Share

1634.5p

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 Trust's NAV gained 5.5% in June, underperforming the Dow Jones World Technology Index return of 6.8%. During the month, stock selection contributed and industry allocation detracted from performance relative to the index.

Our position in Square was among the top contributors during the period. The company develops business management software for small- & medium-sized businesses (SMB) and monetises many of these products through transaction processing. Shares gained as investors looked toward the second half of the year where Square is expected to show growth in processing volume generated by the onboarding of a large events marketplace. Additionally, the company announced the integration of third-party food delivery services such as Postmates and DoorDash to the Square for Restaurants platform. We see the company as a disruptor in the SMB payments and software market with multiple vectors for growth.

Our position in Okta was also a top contributor after it reported strong quarterly results with 50% revenue growth year-on-year. Okta is a data security provider offering services such as automated user management, integration, mobile identification, multifactor authentication, and reporting software. Okta has a compelling opportunity to disrupt the large market for identity and access management. With a large number of applications and over 5,000 customers, Okta is beginning to see a network effect developing. The company also benefits from the shift to the cloud. Subscription revenue was driven by the company's acceleration with enterprise customers. The world's largest organisations are

“ Companies across the economy are turning to technology solutions to increase revenue, improve productivity, and enhance operating efficiency

increasingly realising that identity security is essential to their cloud, digital transformation, and security initiatives. A growing market opportunity, strong execution, and new product launches should further advance Okta's leadership in identity security.

Other top active contributors included an underweight position in Alphabet (Google's parent) and overweight positions in Tableau Software and Cypress Semiconductor.

Not owning Apple, one of the largest holdings in the benchmark, was the top detractor from relative performance. After falling sharply in May, shares outperformed in June due to easing US-China trade tensions and a series of dovish statements from key central banks. Some investors are optimistic that Apple's large installed base of iPhone users will boost future iPhone upgrades as well as monetisation of services. However, we expect to see a lull in the 2019 iPhone product cycle ahead of the 5G iPhones in 2020. Further, we are seeing lower demand from Chinese consumers. We are not currently invested in the stock.

Our position in Cree was also a top detractor from relative performance. Cree develops light-emitting diode (LED) products, lighting products, and power and RF applications. Shares came under pressure after the company negatively revised financial guidance for the June quarter. Sales of materials related to the wireless infrastructure buildout were impacted by US restrictions on Huawei, and sales of LED products fell short due to



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.

global trade concerns. The company is currently increasing manufacturing capacity for its specialty semiconductors, which dramatically increase efficiency in electric vehicle (EV) drivetrains and charging stations. We believe demand for these EV components could increase significantly over the next few years.

Other top active detractors included not owning Samsung or NVIDIA and an overweight position in Zynga.

Market Outlook

Technology is well-positioned to remain a major driver of market returns. The ongoing digital transformation among corporations should continue to drive growth in IT spending. Companies across the economy are turning to technology solutions to increase revenue, improve productivity, and enhance operating efficiency. We believe this is a multi-year transition which is still in the very early stages.

The growth in technology is coming from the creation of new markets, rather than simply gross domestic product (GDP) growth. Industries such as automobiles, advertising, security, retail, and manufacturing are all being shaped and transformed by advances in technology.

Despite high valuations for some high growth companies, we continue to see the potential for 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.

We are also finding excellent investment opportunities among more attractively valued areas of technology. In particular, certain technology incumbents are making compelling progress on their "as-a-service" offerings.

Artificial intelligence (AI) remains a significant trend. We expect AI will increasingly be used to make our lives more convenient.

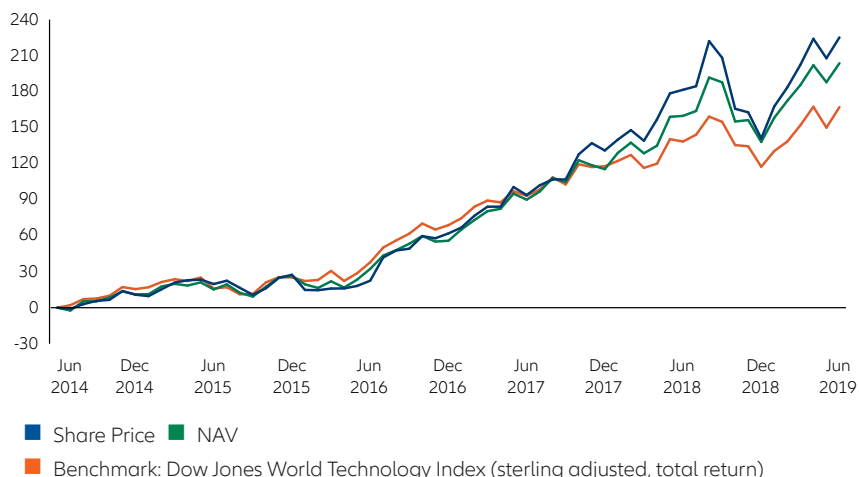
We will continue carefully balancing risks and opportunities, leveraging our industry expertise, and emphasising individual stock selection.

Walter Price
5 July 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 | 7.6 | 34.9 | 15.5 | 165.5 | 225.1 |
| NAV | 6.3 | 27.4 | 16.7 | 129.1 | 203.2 |
| Benchmark | 6.0 | 22.9 | 12.0 | 93.8 | 167.1 |

Discrete 12 Month Returns to 30 June (%)

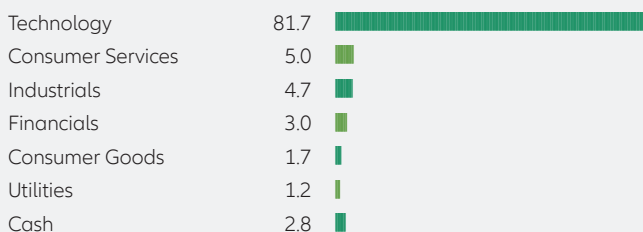
| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------|------|------|------|------|------|
| Share Price | 15.5 | 45.3 | 58.2 | 2.3 | 19.7 |
| NAV | 16.7 | 36.7 | 43.6 | 14.9 | 15.2 |
| Benchmark | 12.0 | 23.4 | 40.2 | 18.9 | 15.9 |

Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 30.06.19. 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 (%)

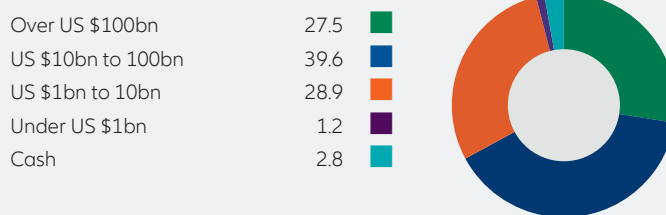
| | |
|---------------------|-----|
| Microsoft | 8.2 |
| Facebook | 5.4 |
| Zscaler | 3.8 |
| Alphabet - A shares | 3.5 |
| Paycom Software | 3.3 |
| Okta | 3.3 |
| Amazon | 3.0 |
| Square | 2.9 |
| Cree | 2.5 |
| Arista Networks | 2.4 |

Total number of holdings 71

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

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 30.06.19 unless otherwise stated.

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