

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 30.06.2017 to 30.06.2020. Citywire awards apply to the Manager, rather than the Fund.

Total Assets £881.4m

Shares in Issue 38,982,168 (Ordinary 25p)

Market Cap £879.0m

Share Price

2255.0p

NAV per Share

2261.0p

Premium/-Discount

-0.3%

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 7.8% in June, marginally outperforming the Dow Jones World Technology Index return of 7.7%. During the month, both stock selection and industry allocation contributed to relative performance. For the year to date period, the Trust returned 36.8%, significantly outperforming the benchmark return of 22.4%.

Our position in Zoom Video was the top contributor during the period after reporting quarterly financial results far ahead of expectations, driven by 169% 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. With these new meeting features, Zoom is attempting to differentiate its 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 electric vehicle maker, Tesla, was also among the top contributors as the company's stock topped \$1,000 for the first time. Shares were boosted during the month by numerous positive news reports including progress at the German factory, gross margins above 30% at the China factory, volume production expected for the semi truck, and

“ big tech names continued to benefit from the recovering economy and their leverage to coronavirus-driven shifts in business and consumer trends

speculation around battery day announcements including a possible million-mile battery. We 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 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 an underweight position in Alphabet (Google's parent), not owning Intel, and an overweight position in Square.

Our underweight position in Apple, one of the largest holdings in the benchmark, was the top detractor from relative performance. Shares outperformed in June as big tech names continued to benefit from the recovering economy and their leverage to coronavirus-driven shifts in business and consumer trends. At its virtual Worldwide Developer Conference, Apple made many announcements including a new iOS for the iPhone, sleep tracking and handwashing detection for the Apple Watch, digital car keys, an app for translating conversations, and transitioning to its in-house designed CPU for iMac and MacBook. The company has seen strong buying activity in the App Store due partly to the stay-at-home trend as well as continued strong adoption of the various subscription services. iPhone demand has picked-up meaningfully coupled with the launch of the second-generation of its lower-end iPhone, the iPhone SE, with a starting price of \$399. The lower price point creates strong growth opportunities in emerging markets like India and China, which could significantly increase the installed base of users and drive demand for wearables/accessories and services. The reopening of the



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.

economy as well as the beginning of the new 5G iPhone product cycle should provide a supportive environment for the remainder of the year. Apple remains the largest position in the portfolio, but continues to be significantly underweight relative to the benchmark's large position.

Our position in MongoDB was also a top detractor from relative performance. The company reported strong quarterly financial results that exceeded expectations driven by revenue growth of 45% year-on-year. Despite the positive results, shares pulled back slightly in June following strong outperformance year-to-date as management noted slowing consumption trends due to COVID-19 impacts. MongoDB provides schema-less database technology that is becoming increasingly used for Artificial Intelligence-oriented application development. The company's database is more flexible, scalable, and performant than more traditional SQL-based technologies for AI workloads. We believe that MongoDB has the potential to gain meaningful market share in the market for general purpose databases. The company has shown accelerating growth trends.

Other top active detractors included not owning Tencent, an overweight position in Booking Holdings, and an underweight position in Microsoft.

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.

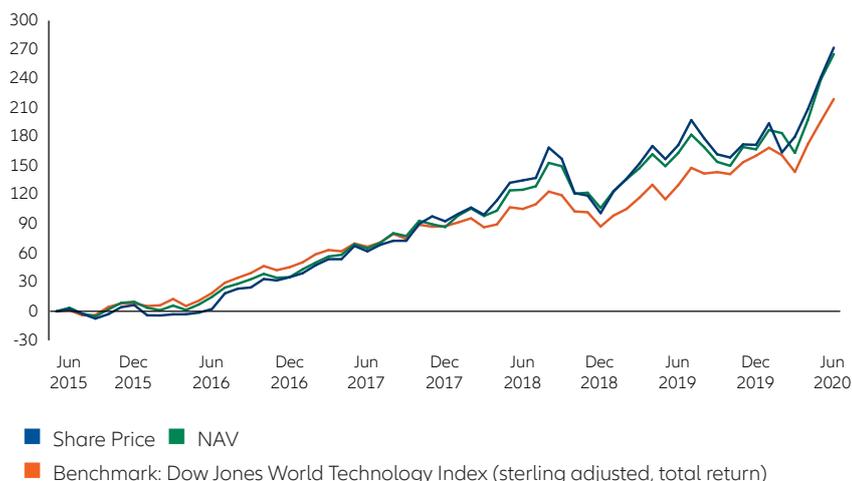
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets – especially for bottom-up stock pickers.

Walter Price
15 July 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	32.8	36.9	37.0	129.9	272.1
NAV	38.7	36.8	38.4	120.8	264.1
Benchmark	30.8	22.4	38.5	91.5	219.1

Discrete 12 Month Returns to 30 June (%)

	2020	2019	2018	2017	2016
Share Price	37.0	15.5	45.3	58.2	2.3
NAV	38.4	16.7	36.7	43.6	14.8
Benchmark	38.5	12.0	23.4	40.2	18.9

Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 30.06.20. 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	69.8	
Industrials	13.2	
Consumer Services	8.2	
Consumer Goods	3.7	
Financials	1.9	
Cash	3.3	

Top Ten Holdings (%)

Apple	5.9
Microsoft	4.6
CrowdStrike	3.4
Zoom Video Communications	3.4
Tesla	2.9
Micron Technology	2.8
Zscaler	2.8
Samsung	2.8
Twilio	2.6
PayPal	2.5

Total number of holdings 69

Geographic Breakdown (%)

North America	90.1	
Far East & Pacific	4.1	
Europe ex UK	1.7	
UK	0.8	
Cash	3.3	

Market Cap Breakdown (%)

Over US \$100bn	34.3	
US \$10bn to 100bn	53.2	
US \$1bn to 10bn	9.2	
Cash	3.3	

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.

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.



Board of Directors

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

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All data source Allianz Global Investors as at 30.06.20 unless otherwise stated.

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