

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 the highly experienced Global Technology Team which currently manages \$12bn in assets under management.

At the Heart of the Industry

Allianz Technology Trust is managed by the highly experienced 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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Total Assets £1,045.4m **Shares in Issue** 408,762,287 (Ordinary 2.5p) **Market Cap** £909.5m

Share Price
222.5p

NAV per Share
255.7p

Premium/-Discount
-13.0%

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 -5.6% in September, meaningfully outpacing the Dow Jones World Technology Index return of -9.1%. During the month, bottom-up stock picking was led by gains in software, automobiles and semiconductor industries, which was offset by underperformance in IT services stocks.

Contributors

Asset optimisation software provider Aspen Technology, Inc. was the top relative contributor for the month. The company's positive share price momentum continued, following a strong upside earnings surprise in August, thanks to expectations of near-term and long-term growth related to energy security, transition and sustainability. Aspen Technology is likely to capture additional synergies post its recent partnership with diversified industrial maker Emerson Electric, offering a durable business model with the potential for further margin expansion. Aspen's traditional focus on process-based industries like oil and gas has positioned them well via an increased focus on the environment and Aspen's ability to capture these important metrics.

Electric vehicle maker Tesla Inc. outperformed on a relative basis during the month due in part to a rebound in China auto sales following a recent boost in capacity. The expectations of consistent adoption in electric vehicles, combined with the company's leadership position in the category and potential to increase capacity to meet demand, warrants Tesla to command a top five holding in the portfolio albeit with a smaller weighting.

Cloud-based security and network solutions provider Zscaler, Inc. was higher following an upside earnings surprise, led by new product offerings and customer additions, particularly on the enterprise side. Security remains a core theme in the portfolio. Human resourcing software solutions provider Paycom Software, Inc. outperformed on a relative

“ At the end of September, the portfolio remained positioned with active overweight allocations to software, IT services and automobile industries, relative to the benchmark

basis due to the company's durable growth profile and likelihood of steady margins, led by new client additions and a continued focus on cross-selling across their existing client base. Small-cap software security solutions provider KnowBe4, Inc. posted a double-digit advance following an all-cash buyout offer at a healthy premium to the stock's prior close.

Detractors

Our position in MongoDB, Inc., a leading provider of open-source, database products geared to manage large amounts of data to improve efficiency across applications, was the largest source of underperformance for the month. The company's share price declined following a larger-than-expected earnings loss combined with a conservative outlook. We trimmed our stake in MongoDB given the lackluster near-term growth outlook in order to redeploy capital into more attractive opportunities. Longer term, this represents a large addressable market going through a period of change as customers look to decrease costs associated with deploying and managing databases.

An active underweight allocation to infrastructure software giant Microsoft Corporation offset performance given the company's 15% weight in the benchmark coupled with a slight relative outperformance for the month. Although the stock may be impacted by concerns of pullback in bookings which could translate to moderating growth next year, the company's shares were seen as a safe harbour in a volatile environment given its diversified business model and relatively attractive valuation at the time.

Our position in Taiwan Semiconductor Manufacturing Co., Ltd., the world's largest dedicated contract semiconductor manufacturer, offset results amid concerns of oversupply and destocking risks as weakening consumer



Mike Seidenberg, Lead Portfolio Manager

Michael Seidenberg received his BS in Business Administration from the University of Colorado in 1990. He received his Master of Business Administration from Columbia Business School in 1996 with concentrations in Finance and Accounting. Prior to attending Columbia Business School, Michael worked for Roche Laboratories (a division of Hoffman LaRoche) in pharmaceutical and biotechnology sales. From 1996-2001, he worked in the software industry in a variety of roles and spent time at Oracle Corporation. He began his investing career with Citadel Investment Group in 2001 covering the software space. Over the next 8 years he broadened his coverage list to include a variety of technology sectors. Prior to joining the Global Technology team in Sept 2009, Michael worked at a number of hedge funds including Pequot Capital and Andor Capital.

trends are limiting near-term chip visibility. Computacenter PLC, one of the UK's largest providers of hardware and software solutions, was lower following a downside earnings surprise. Shares of Asana, Inc., a leading work management platform, offset results due to the timing of the new buy for the portfolio mid-month following a positive earnings surprise and improvement in investor sentiment, with the stock price moderating in the second half of September.

Market Outlook

In our view, the technology sector is likely to continue benefitting from undeniable long-term tailwinds which, we believe, should drive capital appreciation. While the COVID-19 appears to be increasingly in the rearview mirror, the use of technology accelerated as a result of the crisis and may have permanently changed how we live and work and has translated to a further embrace of technology usage. In addition, many businesses remain challenged to find workers to meet customer demands and are likely to further leverage technology-based solutions to improve productivity of limited staffs. As companies need to reduce costs and improve productivity, particularly in light a potentially uncertain macroeconomic outlook, we expect to see accelerating demand for innovative 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. We believe that this environment is likely to provide attractive growth opportunities in many technology stocks over the next several years.

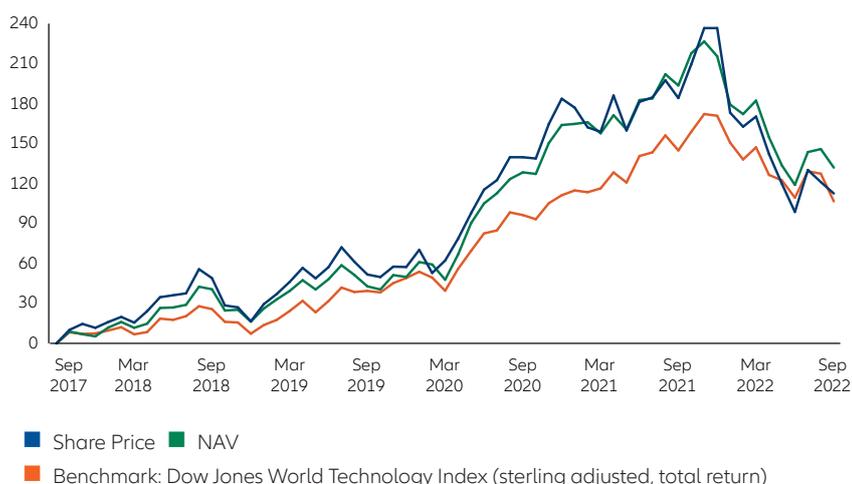
At the end of September, the portfolio remained positioned with active overweight allocations to software, IT services and automobile industries, relative to the benchmark. These exposures continued to be offset by below-benchmark allocations in technology hardware, interactive media and semiconductor stocks. We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets – particularly for bottom-up stock pickers with proven long-term selection capabilities.

Mike Seidenberg
20 October 2022

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 | 7.0 | -21.4 | -25.2 | 40.1 | 112.5 |
| NAV | 5.9 | -17.8 | -21.0 | 62.4 | 131.9 |
| Benchmark | -1.3 | -16.4 | -15.6 | 48.3 | 106.7 |

Discrete 12 Month Returns to 30 September (%)

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|-------------|-------|------|------|------|------|
| Share Price | -25.2 | 18.5 | 58.1 | 1.8 | 49.0 |
| NAV | -21.0 | 28.5 | 59.9 | 1.6 | 40.6 |
| Benchmark | -15.6 | 24.7 | 40.8 | 10.9 | 25.7 |

Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 30.09.22. Copyright 2022 © 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 (%)

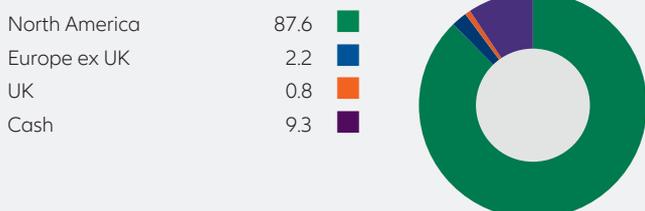
| | | |
|------------------------|------|-----------------------------------|
| Information Technology | 74.8 | <div style="width: 74.8%;"></div> |
| Industrials | 8.1 | <div style="width: 8.1%;"></div> |
| Consumer Discretionary | 7.8 | <div style="width: 7.8%;"></div> |
| Cash | 9.3 | <div style="width: 9.3%;"></div> |

Top Ten Holdings (%)

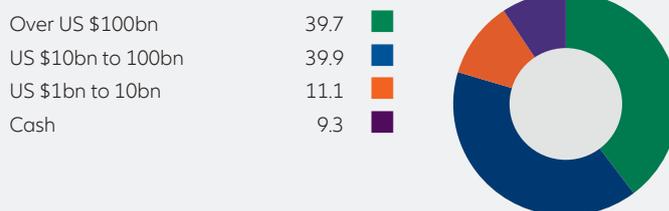
| | |
|----------------------|-----|
| Apple | 8.0 |
| Microsoft | 6.4 |
| Alphabet - A shares | 5.2 |
| Palo Alto Networks | 3.8 |
| CrowdStrike | 3.5 |
| Aspen Technology | 3.5 |
| Broadcom | 3.4 |
| Paycom Software | 3.4 |
| Taiwan Semiconductor | 3.0 |
| Datadog | 2.9 |

Total number of holdings 47

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 |
| AIC Sector | Specialist Sector: Technology, Media & Telecoms |
| Benchmark | Dow Jones World Technology Index (sterling adjusted, total return) |
| Annual Management Fee | 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 | 0.69% |
| 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 | Kelly Nice |
| Investment Manager | Mike Seidenberg |
| Codes | RIC: ATT.L SEDOL: BNG2M15 |

1. Calculated as 10% of outperformance against the benchmark, after adjusting for changes in share capital and will be capped at 1.75% of the Company's average daily NAV over the relevant year.

2. As at the Trust's Financial Year End (31.12.2021). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses, which include the annual management fee, 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
Tim Scholefield
Elisabeth Scott
Katya Thomson (joined the Board on 18 July 2022)

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 30.09.22 unless otherwise stated.

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