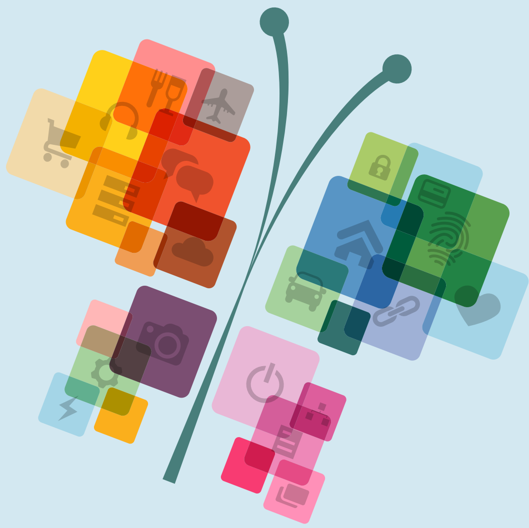


# Allianz Technology Trust PLC

## Half-Yearly Financial Report

30 June 2020

Allianz
Global Investors

# Key Information

## Investment objective
Allianz Technology Trust PLC (the Company) invests principally in the equity securities of quoted technology companies on a worldwide basis with the aim of achieving long-term capital growth in excess of the Dow Jones World Technology Index (sterling adjusted, total return) (the benchmark).

## Investment policy
The investment policy of the Company is to invest in a diversified portfolio of companies that use technology in an innovative way to gain a competitive advantage. Particular emphasis is placed on companies that are addressing major growth trends with innovation that replaces existing technology or radically changes products and services and the way in which they are supplied to customers.

## What constitutes a technology stock
The investment management team views technology companies as those with revenues primarily generated by the application of technology products and services. This is divided into two areas:

- Traditional telecommunications, media and technology (TMT) segments which include internet, computers and computer peripherals, software, electronic components and systems, communications equipment and services, semiconductors, media and information services.
- Non-traditional technology companies which are those in various other industries that use technology in an innovative way to gain a strategic, competitive edge.

As technology becomes ever more pervasive, it is increasingly difficult to differentiate between technology companies and significant adopters as outlined above. Much is spoken of disruptive technologies – those which will force change within an industry and which may often displace the dominance of incumbent market leaders. The challenge is to understand not only current technologies, but also future trends and the likely effects.

## Asset allocation
The Manager does not target specific country or regional weightings and aims to invest in the most attractive technology shares on a global basis. The Manager aims to identify the leading companies in emerging technology growth sub-sectors. The majority of the portfolio will comprise mid and large cap technology shares.

## Risk diversification
The Company aims to diversify risk and no holding in the portfolio will comprise more than 15% of the Company's assets at the time of acquisition. The Company aims to diversify the portfolio across a range of technology sub-sectors.

## Gearing
In normal market conditions gearing will not exceed 10% of net assets but may increase to 20%. The Company's Articles of Association limit borrowing to one quarter of its called up share capital and reserves. As at 30 June 2020 there was no borrowing facility in place.

## Discount Control
The Board will consider buying back shares when the discount is over 7% and all other factors are aligned. The Board considers carefully the parameters which should apply to both the issuance of shares and the buy back of shares from the market and will only proceed when the action is in the best interests of shareholders as a whole.

## Liquidity
In normal market conditions the liquidity of the portfolio, that is the proportion of the Company's net assets held in cash or cash equivalents, will not exceed 15% of net assets but may be increased to a maximum of 30%.

## Derivatives
The Company may use derivatives for investment purposes within guidelines set down by the Board.

## Foreign currency
The Company's current policy is not to hedge foreign currency.

## Benchmark
One of the ways in which the Company measures its performance is in relation to its "benchmark", which is an index made up of some of the world's leading technology shares. The benchmark used is the Dow Jones World Technology Index (sterling adjusted, total return). The Company's strategy is to have a concentrated portfolio which is benchmark aware rather than benchmark driven. The Company has tended to have a significantly higher than benchmark allocation to high growth, mid cap companies which are considered to be the emerging leaders in the technology sector. The Manager believes that the successful identification of these companies relatively early on in their growth stages, offers the best opportunity for outperformance over the long-term.

# Contents



**Investment Week Investment Company of the Year Award 2019, Specialist category**
Allianz Technology Trust won this coveted award in November 2019, having also been victorious in 2018, 2017 and 2015. This award recognises excellence in closed-ended fund management and highlights consistent performance over time.

**Money Observer Investment Trust Awards 2020**
Allianz Technology Trust won the Best Large Trust category for the second year in a row in 2020, in recognition of its consistent, high achievement. This accolade is an independent, statistical and qualitative assessment of performance and highlights the Trust's outperformance both in its class and against its peers.

**AIC Shareholder Communications Awards 2020**
This coveted award recognises the Company's provision of clear and effective information to shareholders. The judges praised an excellent annual report design including engaging, educational content about the sector and its themes.

**Money Observer Rated Funds 2019**
The Company has been included in Money Observer's Rated Funds list for 2019. The list recognises funds that have demonstrated consistent outperformance or that have been chosen as ideal routes into specific markets and sectors.

**Citywire A fund manager rating**
Citywire is the only firm to exclusively rate managers, not funds. The rating takes account of a three-year performance record and is updated every month. It is entirely quantitative with the analysis being based on the information ratio, a recognised measure of risk-adjusted performance. In order to be rated, a fund manager will need to beat his or her benchmark over a three-year period.

# Financial Highlights and Summary

Net assets per ordinary share

**+36.7%**

2020 **2,261.2p**
2019 **1,654.1p**

Share price per ordinary share

**+36.9%**

2020 **2,255.0p**
2019 **1,647.0p**

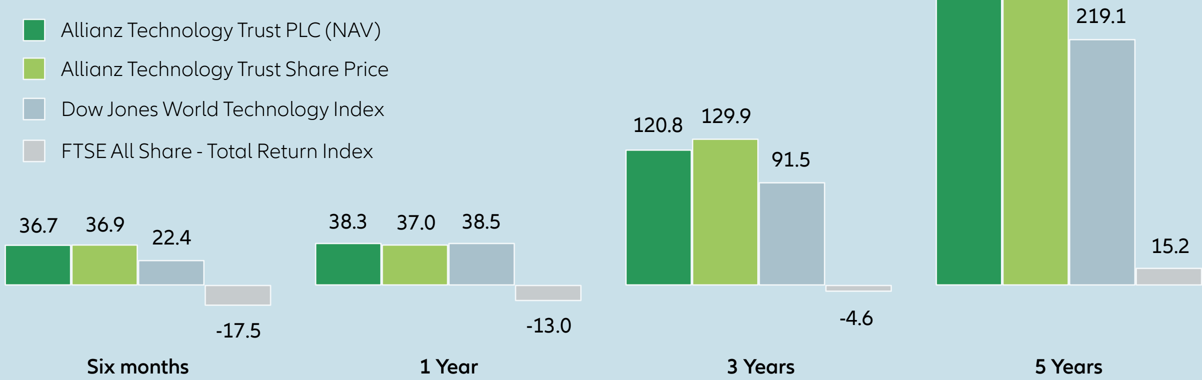
Benchmark

**+22.4%**

2020 **1,677.4**
2019 **1,369.9**

| | 30 June 2020 | 31 December 2019 | % change |
|---|---|---|---|
| Net asset value per ordinary share | 2,261.2p | 1,654.1p | +36.7 |
| Ordinary share price | 2,255.0p | 1,647.0p | +36.9 |
| Discount on Ordinary Share Price to Net Asset Value Per Share | (0.3%) | (0.4%) | n/a |
| Dow Jones World Technology Index (sterling adjusted, total return) | 1,677.4 | 1,369.9 | +22.4 |
| Shareholders' Funds | £881.5m | £583.4m | +51.1 |

## Performance graph




Source: Allianz Global Investors in GBP as at 30 June 2020.

# Interim Management Report

Dear Shareholder

## Judicious stock selection delivers significant outperformance

Amidst the unprecedented backdrop of the coronavirus pandemic, I am pleased to report that the Company's Manager has delivered exceptional performance over the first half of the current financial year up to 30 June 2020, in both absolute and comparative terms. The Company's Net Asset Value (NAV) increased by 36.7%, beating its benchmark, the Dow Jones World Technology Index (sterling adjusted, total return), which rose by 22.4%. Over the same period the FTSE All-Share Index fell by 17.5%.

The circumstances of this reporting period were extreme, with Covid-19 uncertainties plunging global economies into recession and creating turbulent markets that swung from gains to losses and back again. Whilst broader global equity markets lost ground, the technology sector bucked the trend and powered ahead, reflecting the central 'lifeline' role many technology stocks have played in our lives during lockdown. Your Company's performance was particularly strong, boosted by the Manager's high conviction, judicious selection of stocks with solid growth potential. Many of the constituent portfolio stocks have benefitted from new habits and working practices adopted during lockdown, as explored in the Investment Manager's Review on pages 7 to 10.

Over the period, the Company's share price increased by 36.9% from 1647p as at 31 December 2019 to 2255p as at 30 June 2020, moving from a modest discount to NAV of 0.4% to 0.3%. This exceptional investment performance, combined with the share issuance programme described below, resulted in Shareholders' funds at the end of the period reaching £881.5 million, an increase of £298.1 million since the year end.

Given the nature of the Company's investments and its stated investment objective to achieve capital growth, no dividend is proposed in respect of the current period and the Board considers it unlikely that any dividend will be declared in the near future.

## Growing the Company

The Board remains committed to increasing the number of shares in issue as a means of growing the Company. This strategy has been implemented very successfully over recent years, whenever market conditions have been conducive. Demand for the Company's shares is primarily coming from private investors choosing to buy shares through execution-only investment platforms. An example of this is Interactive Investor's market-leading platform where the Company was amongst the top ten most bought investment trusts in 2019 and continues to be in high demand so far in 2020. It is also noteworthy that ATT continues to feature amongst the Association of Investment Companies (AIC) most viewed member companies through its website.

The Company's shares started the period trading at a discount of 0.4% to the underlying NAV, and have subsequently tended to trade at either a small premium or small discount, ending the period at a discount of 0.3% to NAV. The Board pays close attention to changes in the discount/premium at which the Company's shares trade compared to its NAV. It considers carefully the parameters and processes that should apply to ensure that any buy-back or issuance of shares is both in the interests of existing shareholders and properly controlled. The Board considers the absolute level of discount or premium and how this compares to other comparable investment companies and general market conditions.

As reported above the circumstances of this reporting period were extreme but demand for shares remained robust and the Company responded by issuing a total of 3,710,000 new shares, at an average premium to NAV of 1.05%. A further 1,005,000 of ordinary shares have been issued since 30 June 2020. At the date of writing, the issued ordinary share capital of the Company was 39,987,168 Ordinary shares.

At the Annual General Meeting (AGM) of the Company held on 19 May 2020, shareholders granted the Directors authority to allot up to 3,569,716 Ordinary Shares (being equivalent to approximately

10 per cent. of the issued share capital of the Company at that time) on a non pre-emptive basis. The 2020 AGM Authority was granted for the period until the Company's next annual general meeting which is expected to be held in May 2021.

Since the Company's last AGM, your Company has already issued over 2.4 million new ordinary shares at a premium to NAV at the time of issue, raising over £55.2 million of new capital. As stated above, we have seen increased demand for the Company's shares and we are keen for this to continue.

The Board is therefore putting forward proposals to shareholders that enable the Company to continue issuing shares to meet this demand by renewing the Board's general authority to issue shares on an ongoing basis, up to an additional 10 per cent. of the Company's issued share capital together with seeking authority to issue up to 20 million shares in relation to a placing programme which, if approved, would also require the publication of a prospectus in due course.

The General Meeting will be held as a virtual meeting at 11 a.m. on 4 September 2020 and full details on these proposals will be sent to shareholders next week.

The Board will continue to consider the issuance of new shares subject to its criteria being met, as outlined above. Shares will only be issued at a premium to NAV and if the Board is satisfied that the issuance is in the best interests of existing shareholders.

## Performance Fee

The very significant 14.3 percentage point outperformance of the benchmark during this period has recovered the benchmark underperformance during 2019 and triggered the accrual of a performance fee of £5.4m as at 30 June 2020. The performance fee payable will be based on any outperformance as at 31 December 2020 and could therefore differ significantly from the amount currently accrued.

## Management Fee

In the Company's last financial report, I was pleased to report that, following discussions with Allianz Global Investors, a new tier to the management fee had been added from 1 January 2020. The fee structure is now as follows: 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 thereafter. The Company has grown very significantly over recent years, as a result of sustained strong investment performance coupled with share issuance. The Company's market capital value at the time of writing is £948 million. Your Board is pleased that the revised management fee structure should benefit all shareholders over time, by helping to reduce the percentage rate of running costs per share as the Company's market capitalisation increases.

## And the winner is...

The Company has received a string of high profile and prestigious awards in recent years. This recognition is warmly welcomed by the Board as it is testament to the Company's outstanding achievement in long term investment performance and shareholder communications. These accolades raise awareness of the Company's specialist investment strategy and, over time, can serve to generate ongoing, sustained demand for its shares.

The Company is the current holder of the Investment Week Investment Company of the Year Award, in the Specialist category, having won this coveted award in four of the last five years. In April, the Company was once again awarded 'Best Large Trust' in the Money Observer Investment Trust Awards, retaining the prestigious award it won in 2019. Money Observer noted that the Company had "thrashed" benchmark returns over the three-year period to 31 January 2020, delivering the best returns of any of its award winners. The publication also commented that the Company's success was partly driven by the Manager's willingness to "stray down the size spectrum to invest in some exciting smaller companies" within its portfolio.

In June, the Association of Investment Companies (AIC) announced the winners of its annual Shareholder Communications Awards, celebrating AIC member investment trusts and their managers who communicate exceptionally well to shareholders. The Company won the award for Best Specialist Report and Accounts 2020, repeating its 2018 achievement. The judging panel commented that the annual report was excellently designed and included engaging, educational content about the sector and its themes. As a Board, we work tirelessly with Allianz Global Investors to deliver communications that are attractive and meaningful to all investors; we are delighted to have received industry recognition for the quality of our annual report. We welcome feedback from all shareholders that may help us to make further improvements in the future.

## AGM and subsequent material events and transactions

The Company's AGM was held on 19 May 2020 during the UK government's enforced lockdown. Accordingly, the format of the AGM was changed to a "closed door" meeting and physical attendance by shareholders was not permitted. I and all my fellow directors were very sorry that these significant restrictions were necessary. Shareholders were encouraged to use their right to appoint the Chairman as their proxy to attend the meeting and vote on their behalf. I am pleased to report that all resolutions put to Shareholders at the AGM were passed. Details of the resolutions can be found on pages 112 to 114 of the Company's annual report for the year ended 31 December 2019, which is available online.

Apart from the resolutions passed at the AGM, there were no material events or transactions relating to the Company to report in the six-month period to 30 June 2020.

## Outlook

Your Board is delighted with the Company's substantial outperformance at the halfway stage of its financial year. This has been a stormy period in which prudent stock selection was the most significant driver of the Company's performance. Looking forward, we are confident that high conviction stock positioning will continue to drive relative performance, albeit with challenges along the way, and a word of caution should be added after such a strong period.

Roadblocks in the shape of geopolitics and macroeconomic uncertainties are a fact of life for investors but Covid-19 has created a truly unique environment. We expect the remainder of 2020 to be unpredictable and challenging and share prices may again be very volatile. We also acknowledge that the Company is investing in a buoyant sector that has powered ahead when others have hesitated. The possibility of a correction at some stage in the future cannot be discounted. However, even within buoyant sectors there are winners and losers and we are reassured by the Manager's proven ability to carefully balance risks and opportunities over time, from across a range of technology subsectors. This ability to find excellent investment opportunities among more attractively valued areas of the sector instills confidence that the portfolio can continue to deliver positive returns over the long term as it has done in the past.

## Principal risks and uncertainties for the remainder of the financial year

As already highlighted above, the Covid-19 public health crisis is a dynamic situation that continues to pose a very real and sustained threat to many sectors of the global economy. The impact of the Covid-19 pandemic has tested all companies in the past few months and since the publication of the Annual Report the Board has kept in close contact with the Investment Manager and other third party service providers, to understand their responses to the pandemic and in particular actions taken to mitigate the effects of the pandemic on the company and its business. Other than this established risk, the principal risks and uncertainties facing the Company are broadly unchanged from those described in the annual report for the year ended 31 December 2019. These are set out in the Strategic Report on pages 59-61 of that report, together with commentary on the Board's approach to mitigating the risks and uncertainties.

The Board performs a high-level review of the principal risks at every meeting to ensure that the risk assessment is current and relevant, adjusting mitigating factors and procedures as appropriate.

## Stay informed

Because shareholders were not permitted to attend this year's AGM due to Covid-19 restrictions, the Company's Investment Managers recorded a short video update during lockdown at their homes in San Francisco. This content is available to view via the Company's website at www.allianztechnologytrust.com. The Company hopes to arrange an investor event for shareholders later this year, subject to prevailing Government guidance. Details and information for any event will be provided to you in due course and will be available on our website.

Shareholders are reminded that the Company offers access to an ongoing email communications programme, distributing monthly factsheets, insights and other occasional Company updates to all those who opt in to receive them. Subscribers also receive notifications of the latest Manager podcasts and video content. If you would enjoy receiving these targeted communications you can sign up easily via the Company's website.

## Going concern

The Directors have considered the company's investment objective and capital structure both in general terms and in the context of the Covid-19 pandemic. Having noted that the portfolio, which is constructed by the Investment Manager, consists mainly of securities which are readily realisable, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have also considered the risks and consequences of the Covid-19 pandemic on the operational aspects of the Company and have concluded that the Company has the ability to continue in operation and meet its objectives in the foreseeable future. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

In accordance with our Articles of Association, we are required to propose a continuation vote every five years. The most recent continuation vote was proposed and passed by Shareholders at the 2016 AGM. Shareholders will have a further opportunity to vote on the continuation of the Company at the AGM to be held in 2021.

## Related party transactions

In accordance with the definition as provided by the Listing Rules 11.1.4, the only related party arrangement in place is the relationship between the Directors and the Company. The services provided by the Investment Manager under the Investment Management Agreement form a significant contract but are not deemed to be a related party transaction. There have been no material transactions which have affected the financial position of the Company other than fees paid to directors in the normal course of business.

## Responsibility statement

The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the half-yearly financial report has been prepared in accordance with FRS 102 and FRS 104, as set out in Note 1 and the Accounting Standards Board's Statement: 'Half-Yearly Financial Reports';
- the interim management report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.7 R, of important events that have occurred during the first six months of the financial year, their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- the interim management report includes a fair review of the information concerning related party transactions as required by Disclosure and Transparency Rule 4.2.8 R.

The half-yearly financial report was approved by the Board on 31 July 2020 and signed on its behalf by the Chairman.

*Robert Jeens*
*Chairman*
*31 July 2020*

# Investment Manager's Review

The first half of the year was quite unusual. After a steady start to 2020, global stocks changed direction in mid-February as the Covid-19 outbreak started to spread beyond China. The sell-off gathered pace in March as the measures employed to curtail the virus caused the global economy to grind to a standstill, triggering fears of a severe global recession. After suffering their worst quarter since the 2008 financial crisis, global stocks rebounded in the second quarter, helped by growing optimism over economic recovery as well as unprecedented government and central bank support. However, while the second-quarter rally shrank the size of year-to-date losses, most markets still closed the six-month period lower.

At a sector level, energy stocks fell the most as oil prices plunged as lower global demand was compounded by a price war between Opec and Russia. Financial stocks, such as banks, also declined sharply as their margins were pressured by even lower interest rates and the deteriorating economic outlook. Not all sectors declined, however. Technology companies advanced strongly, as online solutions were boosted by the growing number of people working from home. E-retailers also performed well, although high street retailers without any online presence were hit badly, as were travel-related and hospitality businesses. Health care was another sector that held up well due to the search for tests, treatments and vaccines to tackle Covid-19.

Amid the sharp volatility in the early stages of the Covid-19 spread, we tried to protect the portfolio and investors by raising cash and selling stocks where estimates would be severely impacted by the crisis. We also bought companies whose prospects were improved by the Stay at Home, Work From Home trends that emerged. As stocks declined significantly, and estimated earnings were drastically cut, we then focused on buying some companies that were being hurt by the crisis but, in our view, would emerge stronger after the shutdown. We believe these companies are leaders in certain segments of the digital transformation.

In many cases, several underway trends have been turbocharged due to the Covid-19 environment and we expect the leaders of these trends to benefit for multiple years. A few

E-retailers performed well as Covid-19 lockdowns emptied high streets around the world.

examples include the transformation of retail to omnichannel and ecommerce, autos to electric transportation, entertainment to subscription and video on demand delivery over the internet, and company infrastructure to cloud first. Supply chain disruptions have exposed vulnerabilities with having one geographic center for production, and we expect to see increased investment in diversification of production after this crisis. The trend toward more automation in production and distribution facilities will be accelerated. The world will not be the same on the other side of this pandemic, and we believe technological innovation will be the driving force of the necessary transformations for businesses and consumers.

## Top Contributors and Detractors

ATT outperformed the Dow Jones World Technology Index (sterling adjusted, total return) by 14.3 percentage points and the FTSE All-Share Index by 54.2 percentage points during the period. The portfolio's outperformance has been boosted by companies benefiting from significant secular growth themes as well as strong operational performance. Stock selection has been the most significant driver of the portfolio's outperformance.

The largest drivers of relative performance have been our positions in beneficiaries of the remote work and stay at home environment, including software companies providing cyber security, workforce collaboration, and communication services.

At our portfolio level, our position in cloud security company Zscaler was the top contributor during the period. The company delivered very strong growth and significantly exceeded consensus expectations across the board. The acceleration of demand is being boosted by the Covid-19 pandemic backdrop, with more enterprises shifting to a remote workforce for the foreseeable future and CIOs focused on fast tracking a digital transformation. The combination of its Zscaler Internet Access (ZIA) and Zscaler Private Access (ZPA) products is what many enterprises are looking for as they migrate to cloud driven deployments. Additionally, sales execution has meaningfully improved as the new Chief Revenue Officer, Dali Rajic, continues to transform the sales force. Zscaler is a first mover in cloud security that has essentially created a new market in the cyber security world with an innovative product umbrella and strategic focus, which should disrupt the competitive landscape for years to come. We believe the company continues to benefit from multiple tailwinds that should drive long term growth.

Cloud security first mover Zscaler was the portfolio's top performer during the period.

Our position in security software vendor CrowdStrike was also a top contributor. The company delivered earnings results well ahead of expectations, and management provided strong revenue and EPS guidance for fiscal Q2 and the full year. Fiscal Q1 revenue grew 85% year on year, and annual recurring revenue grew 88% year on year, demonstrating that the pandemic has not been a significant headwind and that the market shift to working from home appears to be a sustainable tailwind. CrowdStrike also achieved profitability for the first time, three financial quarters ahead of expectations. The company's rapidly expanding margins should lead to sustainable earnings growth over the next few years. The company continues to execute on its platform strategy with the percentage of customers subscribing to four products or more increasing to 55% from 47% a year ago. The higher contribution suggests CrowdStrike is growing increasingly strategic to its customers, which should lead to deeper and longer term customer relationships. We maintain high conviction that CrowdStrike remains well-positioned to deliver very attractive long term growth as the company continues to benefit from multiple tailwinds.

Other top active contributors included our overweight positions in Tesla, Amazon, and MongoDB.

Our underweight holding in Apple, the second largest holding in the benchmark (13.5%), was among the top detractors from relative performance. Shares have rallied as big tech names continued to benefit from resilient business models and their leverage to Covid-19-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. We maintain a positive outlook for the remainder of the year driven by the reopening of the economy as well as the beginning of the new 5G iPhone product cycle. Apple is

Security software vendor CrowdStrike was also a top contributor, achieving profitability for the first time three financial quarters ahead of expectations.

the largest position in the portfolio, as shown on page 12, but continues to be significantly underweight relative to the benchmark's large position.

Our underweight holding in Microsoft, the largest position in the benchmark (14%), was also a top detractor from relative performance. While the personal computing unit has been impacted by supply chain related issues, other segments of the company's business appear to be benefitting from increased demand, such as Azure and Office. Overall, we believe Microsoft remains strategically the best positioned large cap enterprise software company on a longer-term basis. The company has done a good job of meeting the complex requirements of its enterprise customers as they begin the migration to cloud based architectures. Microsoft should continue to benefit from this shift over time given their strong long-term relationships with enterprise customers. While we are positive on the company, with a holding of 4.8% as at 30 June, we are underweight relative to the benchmark's large position in the stock. Our exposure to the cloud and artificial intelligence themes is spread across multiple companies in the portfolio, as we believe this approach offers a more attractive risk/reward profile.

Other active detractors included overweight positions in Micron Technology and Taiwan Semiconductor Manufacturing, as well as not owning Tencent.

## 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. Looking ahead, this environment is likely to provide attractive growth opportunities in many technology stocks.

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*
*Allianz Global Investors US LLC*

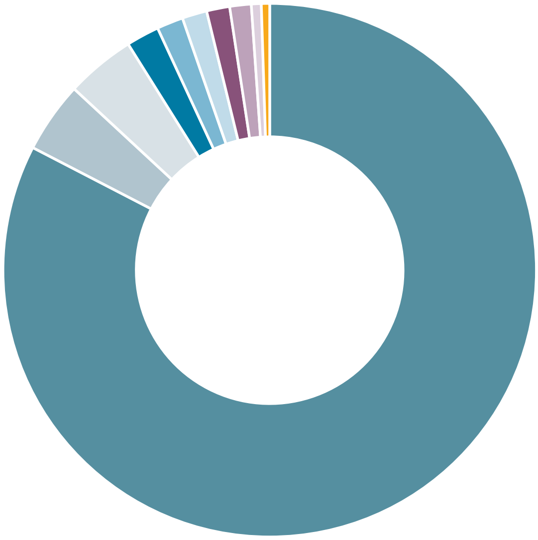
Apple, our largest holding, announced a move from Intel to proprietary processors in its desktop range.

# Analysis of Portfolio

as at 30 June 2020

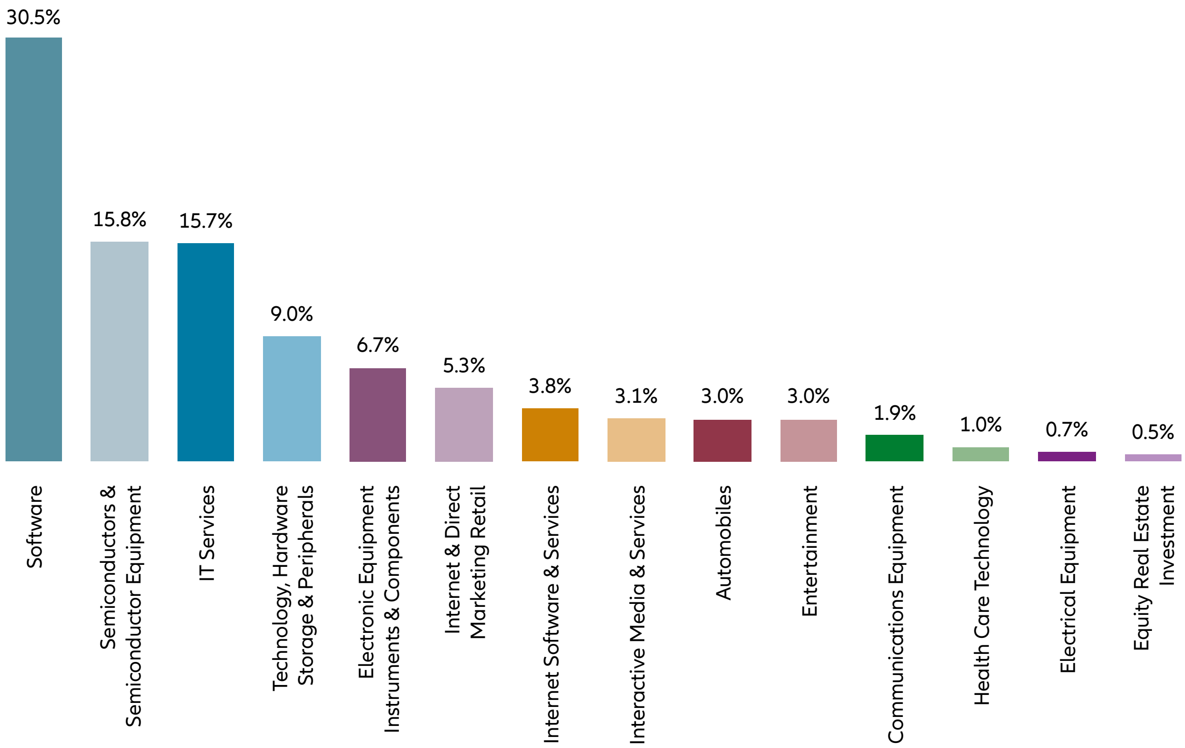
## Geographical breakdown

| Region | % of Invested Funds |
|---|---|
| United States | 82.6 |
| South Korea | 4.3 |
| Netherlands | 4.2 |
| Cayman Islands | 2.0 |
| Canada | 1.6 |
| Taiwan | 1.5 |
| Singapore | 1.4 |
| United Kingdom | 1.3 |
| Luxembourg | 0.6 |
| Sweden | 0.5 |



As cash is excluded and the weightings for each country are rounded to the nearest tenth of a percent, the aggregate weights may not equal 100%.

## Sector breakdown




As cash is excluded and the weightings for each sector are rounded to the nearest tenth of a percent, the aggregate weights may not equal 100%.

# Investment Portfolio

as at 30 June 2020

| Investment | Sector# | Sub Sector# | Country | Valuation £000 | % of Portfolio |
|---|---|---|---|---|---|
| Apple | Technology, Hardware Storage & Peripherals | Technology, Hardware Storage & Peripherals | United States | 52,272 | 6.1 |
| Microsoft | Software | Systems Software | United States | 41,103 | 4.8 |
| Crowdstrike | Software | Systems Software | United States | 30,502 | 3.6 |
| Zoom Video Communications | Software | Application Software | United States | 29,962 | 3.5 |
| Tesla | Automobiles | Automobile Manufacturers | United States | 25,753 | 3.0 |
| Micron Technology | Semiconductors & Semiconductor Equipment | Semiconductors | United States | 25,104 | 2.9 |
| Zscaler | Software | Systems Software | United States | 25,074 | 2.9 |
| Samsung Electronics | Technology, Hardware Storage & Peripherals | Technology, Hardware Storage & Peripherals | South Korea | 24,543 | 2.9 |
| Twilio | IT Services | Internet Services & Infrastructure | United States | 22,699 | 2.7 |
| Paypal | IT Services | Data Processing & Outsourced Services | United States | 21,762 | 2.6 |
| **Top Ten Investments** | | | | **298,774** | **35.0** |
| MongoDB | IT Services | Internet Services & Infrastructure | United States | 20,615 | 2.4 |
| Amazon.com | Internet & Direct Marketing Retail | Internet & Direct Marketing Retail | United States | 17,456 | 2.0 |
| Facebook | Interactive Media & Services | Interactive Media & Services | United States | 17,286 | 2.0 |
| Nvidia | Semiconductors & Semiconductor Equipment | Semiconductors | United States | 16,383 | 1.9 |
| Okta | Internet Software & Services | Internet Software & Services | United States | 15,961 | 1.9 |
| Square | IT Services | Data Processing & Outsourced Services | United States | 15,841 | 1.9 |
| Ringcentral | Software | Application Software | United States | 15,381 | 1.8 |
| Adyen | IT Services | Data Processing & Outsourced Services | Netherlands | 15,338 | 1.8 |
| Skyworks Solutions | Semiconductors & Semiconductor Equipment | Semiconductors | United States | 14,163 | 1.7 |
| Shopify | IT Services | Internet Services & Infrastructure | Canada | 13,870 | 1.6 |
| **Top Twenty Investments** | | | | **461,068** | **54.0** |
| Datadog | Software | Application Software | United States | 13,557 | 1.6 |
| Amphenol | Electronic Equipment Instruments & Components | Electronic Components | United States | 13,371 | 1.6 |
| Netflix | Entertainment | Movies & Entertainment | United States | 13,306 | 1.6 |
| Taiwan Semiconductor | Semiconductors & Semiconductor Equipment | Semiconductors | Taiwan | 13,207 | 1.6 |
| Qualcomm | Semiconductors & Semiconductor Equipment | Semiconductors | United States | 13,027 | 1.5 |
| Mastercard | IT Services | Data Processing & Outsourced Services | United States | 12,847 | 1.5 |
| Splunk | Software | Application Software | United States | 12,161 | 1.4 |
| Alteryx | Software | Application Software | United States | 12,105 | 1.4 |
| Ipg Photonics | Electronic Equipment Instruments & Components | Electronic Manufacturing Services | United States | 11,942 | 1.4 |
| Samsung SDI | Electronic Equipment Instruments & Components | Electronic Components | South Korea | 11,904 | 1.4 |
| **Top Thirty Investments** | | | | **588,495** | **69.0** |

| Investment | Sector[#] | Sub Sector[#] | Country | Valuation £000 | % of Portfolio |
|---|---|---|---|---|---|
| Palo Alto Networks | Communications Equipment | Communications Equipment | United States | 11,850 | 1.4 |
| Flex | Electronic Equipment Instruments & Components | Electronic Manufacturing Services | Singapore | 11,569 | 1.4 |
| Booking | Internet & Direct Marketing Retail | Internet & Direct Marketing Retail | United States | 11,470 | 1.3 |
| Paycom Software | Software | Application Software | United States | 10,659 | 1.2 |
| Docusign | Software | Application Software | United States | 10,608 | 1.2 |
| JD.com | Internet & Direct Marketing Retail | Internet & Direct Marketing Retail | Cayman Islands | 9,163 | 1.1 |
| Elastic NV | Software | Application Software | Netherlands | 9,072 | 1.1 |
| Lam Research | Semiconductors & Semiconductor Equipment | Semiconductor Equipment | United States | 8,983 | 1.1 |
| Teradyne | Semiconductors & Semiconductor Equipment | Semiconductor Equipment | United States | 8,929 | 1.0 |
| Veeva Systems | Health Care Technology | Health Care Technology | United States | 8,907 | 1.0 |
| **Top Forty Investments** | | | | **689,705** | **80.8** |
| ServiceNow | Software | Systems Software | United States | 8,674 | 1.0 |
| Alibaba | Internet Software & Services | Internet Software & Services | Cayman Islands | 8,262 | 1.0 |
| Advanced Micro Devices | Semiconductors & Semiconductor Equipment | Semiconductors | United States | 8,223 | 1.0 |
| Autodesk | Software | Application Software | United States | 8,209 | 1.0 |
| Cognex | Electronic Equipment Instruments & Components | Electronic Equipment Instruments | United States | 8,173 | 1.0 |
| Zendesk | Software | Application Software | United States | 8,165 | 1.0 |
| Coupa Software | Software | Application Software | United States | 7,827 | 0.9 |
| Alphabet Inc | Internet Software & Services | Internet Software & Services | United States | 7,792 | 0.9 |
| Microchip Technology Inc | Semiconductors & Semiconductor Equipment | Semiconductors | United States | 7,670 | 0.9 |
| Cree | Semiconductors & Semiconductor Equipment | Semiconductors | United States | 7,661 | 0.9 |
| **Top Fifty Investments** | | | | **770,361** | **90.4** |
| Expedia | Internet & Direct Marketing Retail | Internet & Direct Marketing Retail | United States | 7,442 | 0.9 |
| STMicroelectronics | Semiconductors & Semiconductor Equipment | Semiconductors | Netherlands | 7,363 | 0.9 |
| Zynga | Entertainment | Interactive Home Entertainment | United States | 7,126 | 0.8 |
| Computacenter | IT Services | IT Consulting & Other Services | United Kingdom | 6,731 | 0.8 |
| Bloom Energy | Electrical Equipment | Heavy Electrical Equipment | United States | 6,170 | 0.7 |
| Spotify Technology | Entertainment | Movies & Entertainment | Luxembourg | 4,838 | 0.6 |
| Avalara | Software | Application Software | United States | 4,626 | 0.5 |
| Snap | Interactive Media & Services | Interactive Media & Services | United States | 4,613 | 0.5 |
| Ericsson | Communications Equipment | Communications Equipment | Sweden | 4,356 | 0.5 |
| Atlassian | Software | Application Software | United Kingdom | 4,324 | 0.5 |
| **Top Sixty Investments** | | | | **827,950** | **97.1** |
| Workday | Software | Application Software | United States | 4,221 | 0.5 |
| Smartsheet | Software | Application Software | United States | 4,212 | 0.5 |
| Equinix | Equity Real Estate Investment | Specialized REITs | United States | 4,160 | 0.5 |
| Pinterest | Interactive Media & Services | Interactive Media & Services | United States | 4,158 | 0.5 |
| Asml | Semiconductors & Semiconductor Equipment | Semiconductor Equipment | Netherlands | 4,050 | 0.5 |
| Akamai Technologies | IT Services | Internet Services & Infrastructure | United States | 3,990 | 0.4 |
| **Total Investments** | | | | **852,741** | **100.0** |

[#] GICS Industry classifications

# Income Statement

| | For the six months ended 30 June 2020 | | | For the six months ended 30 June 2019 | | |
|---|---|---|---|---|---|---|
| | Revenue £'000s | Capital £'000s | Total Return £'000s (Note 1) | Revenue £'000s | Capital £'000s | Total Return £'000s (Note 1) |
| Gains on investments held at fair value through profit or loss | - | 228,532 | 228,532 | - | 121,945 | 121,945 |
| Exchange gains on currency balances | 2 | 3,655 | 3,657 | 1 | 541 | 542 |
| Income | 1,406 | - | 1,406 | 1,350 | - | 1,350 |
| Investment management and performance fee (Note 2) | (2,513) | (5,429) | (7,942) | (1,976) | (3,662) | (5,638) |
| Administration expenses | (359) | - | (359) | (416) | - | (416) |
| **(Loss) profit before finance costs and taxation** | **(1,464)** | **226,758** | **225,294** | **(1,041)** | **118,824** | **117,783** |
| Finance costs: Interest payable and similar charges | - | - | - | (1) | - | (1) |
| **(Loss) profit on ordinary activities before taxation** | **(1,464)** | **226,758** | **225,294** | **(1,042)** | **118,824** | **117,782** |
| Taxation | (247) | - | (247) | (134) | - | (134) |
| **(Loss) profit attributable to ordinary shareholders** | **(1,711)** | **226,758** | **225,047** | **(1,176)** | **118,824** | **117,648** |
| **(Loss) earnings per ordinary share (Note 3)** | **(4.69p)** | **621.86p** | **617.17p** | **(3.49p)** | **352.49p** | **349.00p** |

# Balance Sheet

| | As at 30 June 2020 £'000s | As at 30 June 2019 £'000s | As at 31 December 2019 £'000s |
|---|---|---|---|
| Investments held at fair value through profit or loss (Note 4) | 852,741 | 543,567 | 567,934 |
| Cash and cash equivalents | 33,367 | 20,495 | 15,438 |
| Other net current (liabilities) assets | (4,639) | (4,710) | 68 |
| **Total net assets** | **881,469** | **559,352** | **583,440** |
| | | | |
| Called up share capital | 9,745 | 8,550 | 8,818 |
| Share premium account | 232,148 | 142,144 | 160,093 |
| Capital redemption reserve | 1,021 | 1,021 | 1,021 |
| Capital reserve | 663,606 | 429,589 | 436,848 |
| Revenue reserve | (25,051) | (21,952) | (23,340) |
| **Shareholders' funds** | **881,469** | **559,352** | **583,440** |
| **Net asset value per ordinary share** | **2,261.2p** | **1,635.4p** | **1,654.1p** |
| | | | |
| The net asset value is based on ordinary shares in issue of | 38,982,168 | 34,202,168 | 35,272,168 |

# Statement of Changes in Equity

| | Called up Share Capital £'000s | Share Premium Account £'000s | Capital Redemption Reserve £'000s | Capital Reserve £'000s | Revenue Reserve £'000s | Total £'000s |
|---|---|---|---|---|---|---|
| **Six months ended 30 June 2020** | | | | | | |
| Net assets at 1 January 2020 | 8,818 | 160,093 | 1,021 | 436,848 | (23,340) | 583,440 |
| Revenue loss | - | - | - | - | (1,711) | (1,711) |
| Shares issued from block listing facility during the period (Note 5) | 927 | 72,055 | - | - | - | 72,982 |
| Capital profit | - | - | - | 226,758 | - | 226,758 |
| **Net assets at 30 June 2020** | **9,745** | **232,148** | **1,021** | **663,606** | **(25,051)** | **881,469** |
| **Six months ended 30 June 2019** | | | | | | |
| Net assets at 1 January 2019 | 8,369 | 130,694 | 1,021 | 310,765 | (20,776) | 430,073 |
| Revenue loss | - | - | - | - | (1,176) | (1,176) |
| Shares issued from block listing facility during the period (Note 5) | 181 | 11,450 | - | - | - | 11,631 |
| Capital profit | - | - | - | 118,824 | - | 118,824 |
| **Net assets at 30 June 2019** | **8,550** | **142,144** | **1,021** | **429,589** | **(21,952)** | **559,352** |

# Notes

## Note 1 – Summary statement of accounting policies and basis of preparation

The condensed set of financial statements have been prepared in accordance with FRS 102 'Interim Financial Reporting' (FRS 104) issued by the FRC in March 2015 and the revised Statement of Recommended Practice - 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (SORP) issued by the Association of Investment Companies (AIC) in November 2014, as updated in October 2019.

The accounting policies applied for the condensed set of financial statements with regard to measurement and classification have not changed from those set out on the Company's annual report for the year ended 31 December 2019.

The total column of the Income Statement is the profit and loss account of the Company. All revenue and capital items derive from continuing operations. No operations were acquired or discontinued in the period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses of the Company have been reflected in the Income Statement.

## Note 2 – Management

Allianz Global Investors GmbH, UK Branch is the appointed Investment Manager and as such is entitled to a base fee of 0.8% per annum payable quarterly in arrears and calculated on the average value of the market capitalisation of the Company at the last business day of each month in the relevant quarter. The base fee reduces to 0.6% for any market capitalisation between £400m and £1 billion, and 0.5% for any market capitalisation over £1 billion. Additionally there is a fixed fee of £55,000 per annum.

In each year, in accordance with the management contract the Investment Manager is entitled to a performance fee subject to various performance conditions. For years beginning on or after 1 December 2013, the performance fee entitlement is equal to 12.5% of the outperformance of the adjusted NAV per share total return as compared to the benchmark index, the Dow Jones World Technology Index (sterling adjusted, total return). Any underperformance brought forward from previous years is taken into account in the calculation of the performance fee.

A performance fee is only payable where the NAV per share at the end of the relevant Performance Period is greater than the NAV per share at the end of the financial year in which a performance fee was last paid. At 31 December 2019 this 'high water mark' (HWM) was 1281.03p per share. In the event the HWM is not reached in any year, any outperformance shall instead be carried forward to future periods to be applied as detailed below. Any performance fee payable is capped at 2.25% of the year end NAV of the Company. For this purpose, the NAV is calculated after deduction of the associated performance fee payable.

Any outperformance in excess of the cap (or where the HWM has not been met) shall be carried forward to future years to be available for offset against future underperformance but not to generate a performance fee. To the extent the Company has underperformed the benchmark, such underperformance is carried forward and must be offset by future outperformance before a performance fee can be paid. Underperformance/outperformance amounts carried forward do so indefinitely until offset.

The performance fee accrued for as at 30 June 2020 was £5,429,000 (30 June 2019: £3,662,000; 31 December 2019: £nil).

The Investment Manager's fee is charged 100% to Revenue and the performance fee is charged 100% to Capital.

## Note 3 – Earnings per Ordinary Share

The earnings per Ordinary Share is based on the net profit for the half year of £225,047,000 (30 June 2019: net profit of £117,648,000, 31 December 2019: net profit of £123,519,000) and on the weighted average number of Ordinary Shares in issue during the period of 36,464,323 (30 June 2019: 33,710,057, 31 December 2019: 34,351,460).

## Note 4 – Valuation of Investments

Investments are designated as held at fair value through profit or loss in accordance with FRS 102 sections 11 and 12. Investments are initially recognised at Fair Value, which is determined to be their cost. Subsequently, investments are revalued at Fair Value, which is the bid market price for listed investments.

FRS 102 sets out three fair value hierarchy levels for disclosure.

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at 30 June 2020, the financial assets at fair value through profit or loss of £852,741,000 (31 December 2019: £567,934,000) are categorised as follows:

| | As at 30 June 2020 £'000s | As at 31 December 2019 £'000s |
|---|---|---|
| Level 1 | 852,741 | 567,934 |
| Level 2 | - | - |
| Level 3 | - | - |
| | **852,741** | **567,934** |

## Note 5 – Called up Share Capital

At 30 June 2020 there were 38,982,168 Ordinary Shares in issue (30 June 2019: 34,202,168; 31 December 2019: 35,272,168). During the half-year ended 30 June 2020 the Company bought back no Ordinary Shares for holding in treasury (half-year ended 30 June 2019: nil; and year ended 31 December 2019: nil). No shares are held in treasury. The Company issued a further 3,710,000 Ordinary shares, from the authorised block listing facility, during the period. The proceeds from the total number of shares issued amounted to £72,982,000 (half-year ended 30 June 2019: £11,631,000; and year ended 31 December 2019: £29,848,000).

## Note 6 – Investments

Purchases for the half-year ended 30 June 2020 were £744,796,000 (30 June 2019: £297,169,000) and sales were £586,773,000 (30 June 2019: £245,968,000).

## Note 7 – Transaction costs

Brokers commission costs on equity purchases for the half-year ended 30 June 2020 amounted to £146,000 (30 June 2019: £131,000) and sales were £167,000 (30 June 2019: £93,000).

## Note 8 – Comparative Information

The half yearly financial report to 30 June 2020 and the comparative information to 30 June 2019 have neither been audited nor reviewed by the Company's auditors and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006 for the respective periods. The financial information for the year ended 31 December 2019 has been extracted from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

# Glossary of UK GAAP Performance Measures and Alternative Performance Measures

## UK GAAP performance measures

**Net Asset Value** is the value of total assets less all liabilities. The Net Asset Value, or NAV, per ordinary share is calculated by dividing this amount by the total number of ordinary shares in issue. As at 30 June 2020, the NAV was £881,469,000 (31 December 2019: £583,440,000, 30 June 2019: £559,352,000) and the NAV per share was 2,261.2p (31 December 2019: 1,654.1p, 30 June 2019: 1,635.4p).

**Earnings per ordinary share** is the profit/loss after taxation, divided by the weighted average number of shares in issue for the period (see Note 3).

## Alternative Performance Measures (APMs)

**Discount/Premium** is the amount by which the stock market price per ordinary share is lower (discount) or higher (premium) than the Net Asset Value, or NAV, per ordinary share. The discount/premium is normally expressed as a percentage of the NAV per ordinary share.

**Ongoing charges** are operating expenses, excluding one off costs and performance fees, incurred in the running of the company. These are expressed as a percentage of the average net asset value during the year and this is calculated in accordance with guidance issued by the Association of Investment Companies.

# Investor Information

## Directors
Robert Jeens (Chairman)
Humphrey van der Klugt
Neeta Patel
Elisabeth Scott

## Manager
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Represented by Walter Price

## Secretary and Registered Office
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Registered Number: 03117355

## Registrars
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website: linkassetservices.com

## Key Dates
Year end 31 December.
Full year results announced March/April.
Annual Financial Report posted to shareholders in March/April.
Annual General Meeting held in May.
Half year results announced in August.

## Identification Codes
**Ordinary Shares**
SEDOL: 0339072
ISIN: GB0003390720
BLOOMBERG: ATT
EPIC: ATT
GIIN: YSYR74.99999.SL.826
LEI: 549300JMDPMJU23SSH75

## Net Asset Value (or NAV)
The Net Asset Value of the Ordinary Shares is calculated and announced daily and the top ten holdings are announced monthly. They are published on the London Stock Exchange Regulatory News Service. They are also available from Allianz Global Investors, via Investor Services on 0800 389 4696 or on the Company's website: www.allianztechnologytrust.com

## How to Invest
Shareholders can invest in Allianz Technology Trust by purchasing shares through an investment platform operated by a third party provider, a stockbroker or a financial adviser. Many online platforms allow share dealing in 'real time' and some offer an option to invest regularly each month as well as lump sum investing. Competition between platform providers is keen so charges are usually very competitive. More information is available from Allianz Global Investors either via Investor Services on 0800 389 4696 or see 'How to invest' on our website, www.allianztechnologytrust.com where there are links to a range of these platforms, many of which allow the holding of shares within an ISA, Junior ISA, SIPP and/or savings scheme.

## Shareholders' Enquiries
Link Asset Services are the Company's registrars and maintain the share register. In the event of queries regarding their holdings of shares, lost certificates, registered name and address details, etc., shareholders should contact the registrars on +44 (0)371 664 0300. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday. Calls may be recorded and monitored randomly for security and training purposes.

Any general enquiries about the Company should be directed to the Company Secretary, Allianz Technology Trust PLC, 199 Bishopsgate, London EC2M 3TY. Telephone: +44 (0)20 3246 7405.

## Website
Further information about the Company is available at www.allianztechnologytrust.com, or on the Manager's website: www.allianzgi.co.uk

## AIC Membership
The Company is a member of the Association of Investment Companies.

**Category:**
Sector specialists – Technology/Media/Telecom

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