

8 August 2022

**ALLIANZ TECHNOLOGY TRUST PLC**  
**HALF-YEARLY FINANCIAL REPORT**  
**For the six months ended 30 June 2022**

**HIGHLIGHTS**

	<b>30 June 2022</b>	<b>31 December 2021</b>	<b>% Change</b>
Net Asset Value per Ordinary Share	241.5p	347.9p	-30.6
Ordinary Share Price	208.0p	352.5p	-41.0
(Discount) premium of Ordinary Share Price to Net Asset Value	(13.9%)	1.3%	n/a
Dow Jones World Technology Index (sterling adjusted, total return)	1,924.1	2,489.3	-22.7
Shareholders' Funds	£1,001.7m	£1,472.4m	-32.0

**Interim Management Report**  
**Chairman's Statement**

**Harsh economic and geopolitical realities**

This has been a tough period for growth investors and tougher still for those seeking returns from innovative technology. The combination of unexpectedly high inflation, rising interest rates and Putin's war against Ukraine has caused a broad exodus from growth assets as investors worry about the possibilities of recession and stagflation.

**Performance**

Against this challenging backdrop we are reporting disappointing performance for the six months to the end of June. Net asset value per share (NAV) fell by 30.6% against a fall in our benchmark index of 22.7%, underperformance of 7.9 percentage points. It is small consolation to report that over this period the pound weakened against the US dollar which has mitigated the fall due to the preponderance of US dollar based assets in the portfolio.

As explained in the Investment Manager's Review, the main reasons for this underperformance are rooted in our strategic overweight positions in stocks with high growth potential – unfortunately the same stocks that have been hit the hardest in the market sell-off.

The sharp downturn in investor sentiment over the period has caused a steady and significant downward movement in the Company's share price compared to NAV. At the end of last year the share price was at a modest premium to NAV but has finished the half year period at a discount of 13.9%. Again it is scant consolation for Shareholders, but over this period discounts have widened across most investment companies and across our technology focused peers in particular.

The Board has paid close attention to the level of discount over the period and, through the Company's brokers, the Board has been active in buying back shares. Over the period 8,416,659 shares were bought back at an average discount of 12.4%. Since the period end on 30 June 2022, a further 2,006,383 shares have been bought back. All shares repurchased are held in treasury rather than cancelled so that they may be reissued if sufficient demand arises.

Shareholder funds dropped from £1,472.4 million at the start of the year to £1,001.7 million at the period 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.

**Portfolio management team changes**

In the Annual Report we announced that Walter Price, the lead manager since 2007, was stepping back and that Mike Seidenberg, his deputy on the portfolio for more than a decade, was to take over from him. This transition happened at the end of the reporting period and from 1 July Mike has been leading the management of the portfolio. Walter is staying involved with the running of ATT's portfolio up until the end of the year, after which he will be enjoying a well-deserved retirement.

The Board wishes to record its sincere thanks to Walter for his leadership of the technology investment team over the past decade and a half. The realigned investment strategy that they initiated has delivered truly exceptional returns to Shareholders over this period and has made your company an established choice for both retail and professional investors as one of the UK's leading investment trusts.

The Board is pleased to have the continuity of portfolio management that comes from Mike taking over the lead role and we look forward to working closely with him over the coming months and years. Mike is a highly accomplished investor in his own right, but in his own words has, whilst working alongside Walter, been learning from a mentor who is undoubtedly a "legend" of the sector.

### **Investment management corporate changes**

Allianz Global Investors (AllianzGI) announced on 13 June that they were entering into a strategic partnership in the US with Voya Investment Management (Voya) that would see the majority of their US investment capability (including the San Francisco based Global Technology team) transfer to Voya in exchange for AllianzGI taking a significant shareholding in Voya.

The impact of this proposed transaction on the Company was the separation of AllianzGI's role as Alternative Investment Fund Manager (AIFM) including the provision of company secretarial, administrative, and sales and marketing functions from AllianzGI's provision of Portfolio Management services via its US subsidiary which moves to be part of Voya.

Since the announcement of the proposed transaction the Board has considered these proposals carefully and taken appropriate independent advice. In particular the Board has received assurances that the investment team in San Francisco are enthusiastic about the new arrangements, that there are no significant changes to their investment processes and that the Company's ability to have oversight over the investment activities will be unchanged. The aggregate fees paid by the Company to AllianzGI and Voya do not change. The Board concluded that the new arrangements remain in the best interests of Shareholders.

Consequently the Board gave its consent to the change in management arrangements and a tripartite agreement was signed between the Company, AllianzGI as AIFM and Voya as Portfolio Manager on 19 July 2022 and took effect on 25 July 2022 being the date that the transfer of AllianzGI US staff to Voya took place.

### **Board updates**

Following the appointment of Tim Scholefield to the Board last December the Board undertook a search process during the first half of this year to recruit an additional new director as part of the Company's Board succession plan. Katya Thomson was appointed to the Board with effect from 18 July. Katya is currently a non-executive director of AVI Japan Opportunity Trust plc, Henderson EuroTrust plc and MIGO Opportunities Trust plc. She is a chartered accountant with a focus on corporate finance and strategy during her executive career.

We are delighted that Katya has joined the Board. She brings a wealth of experience across a breadth of sectors and businesses and we all look forward to working with her.

### **AGM**

The Company's AGM was held on 26 April 2022. After two years of virtual meetings, it was pleasing to hold a physical meeting and be able to greet Shareholders in person. Taking on board the lessons of the pandemic though, the Board put in place arrangements for Shareholders to also attend the AGM electronically, ask questions and vote in real time, by using their computer, tablet or smartphone. I am pleased to report that all resolutions put to Shareholders at the AGM were passed and I would like to thank Shareholders for their support, particularly in these testing times.

A recording of the AGM, including a presentation from portfolio manager Walter Price, can be found on the company's website or via the QR code to the left.

### **Outlook**

There appears little to be encouraged about in the macroeconomic and global political outlook. The world has been shaken by a series of shocks over the past few years – pestilence, war and now very possibly famine to use old fashioned terms. Quantitative easing and the other policy tools that have been deployed by governments to mitigate these shocks may prove in part to have merely deferred rather than avoided some of the adverse consequences associated with similar shocks in the past. Naturally we should all hope for better outcomes but we know that this will not be easily achieved in a world heading towards greater political fragmentation and reducing global collaboration. That said, the fortunes of economies and the fortunes of individual companies are not necessarily inextricably linked, and markets can also move in a different direction to what the prevailing backdrop might suggest when investors eye emerging opportunity.

What we do know is that technology has been and will remain a key enabler of economic progress. Whilst the short term direction of share prices is almost impossible to predict, the likelihood is that superior long term returns will continue to be possible from investment in technology led businesses. The Manager continues to construct the Company's portfolio with a diversified mix of higher-growth companies, as well as access to cyclical/value stocks. We remain confident in the Manager's ability to drive long-term relative performance through the team's high conviction expertise as they continue to focus on identifying trends that have the potential to uncover tomorrow's Apple or Microsoft.

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

The principal risks and uncertainties facing the Company are broadly unchanged from those described in the annual report for the year ended 31 December 2021. These are set out in the Strategic Report on pages 36-41 of that report, together with commentary on the Board's approach to mitigating the risks and uncertainties. Given the global macroeconomic and geopolitical backdrop, market risk remains front of mind and the Board and Investment Manager continue to monitor the situation carefully.

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.

### **Keeping in touch**

Shareholders are reminded that the Company's revamped website [www.allianztechnologytrust.com](http://www.allianztechnologytrust.com) is the 'go-to' destination for the very latest news, views and broadcast content relating to the Company. We continue to offer an ongoing email communications programme distributing monthly factsheets, insights and other occasional Company updates to all those who opt in to receive them. If you would enjoy receiving these targeted communications you can sign up easily via the Company's website, which can also be accessed via the QR code to the right.

### **Going concern**

The Directors believe that it is appropriate to adopt the going concern basis in preparing the financial statements as the assets of the Company consist mainly of securities that are readily realisable and the Company's assets are significantly greater than its liabilities. The Directors have assessed the impact of the change in management arrangements and the continued operational resilience of the Company's service providers and have concluded that the Company has adequate financial resources to continue in operational existence for twelve months after approval of these financial statements.

The Company is subject to a continuation vote of the Shareholders every five years. The last continuation vote was put to Shareholders at the AGM 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, AIFM and Portfolio Manager.

The services provided by the AIFM and Portfolio 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.

Following the end of the Temporary Permissions Regime put in place after the UK's exit from the European Union, the Board understands that Allianz Global Investors plan to replace Allianz Global Investors GmbH, UK Branch as the management company with Allianz Global Investors UK Ltd. This is subject to Allianz Global Investors UK Ltd. being granted the necessary authorisation from the FCA.

### **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 8 August 2022 and signed on its behalf by the Chairman.

## **INVESTMENT MANAGER'S REVIEW**

### **Investment Review**

Global equities tumbled over the first half of 2022, posting their worst two-quarter drop since 2009, as Russia's invasion of Ukraine sparked the biggest energy price shock since the 1970s. Inflation accelerated sharply, and concerns grew that major central banks would need to be more aggressive in raising rates and that a period of negative growth may be needed to tame rising prices. China's strict zero-Covid policy further undermined sentiment as it led to lockdowns in major cities which hit demand and added to supply chain disruptions.

At a sector level, energy was a rare bright spot in major indexes, with share prices surging along with oil and gas prices. Elsewhere, however, sector returns were steeply negative. The consumer discretionary, communication services and information technology sectors fell the most, with 'new technology' stocks declining sharply as the prospect of higher interest rates lessened the appeal of companies that may not generate meaningful earnings until well into the future, e.g. Snapchat.

As inflation surged to multi-decade highs, central banks in developed markets responded – although they were viewed as being 'behind the curve' compared to many emerging market central banks which had already started to raise rates. In March, the US Federal Reserve (Fed) hiked rates for the first time since 2018 and implemented two more increases in April and May, with each becoming more aggressive. The European Central Bank (ECB) finally abandoned its dovish stance in the second quarter, signalling it would likely raise rates by 0.25% in July and would implement more aggressive rate rises later in the year. China and Japan were outliers, with the former becoming more supportive, particularly to its beleaguered property sector, while the Bank of Japan maintained its dovish stance.

During the period, we reduced exposure to some high growth companies we felt would struggle to deliver enough earnings growth to justify high valuations. The team also increased exposure to some cyclical companies in the semiconductor and hardware segments. We continue to hold our positions in high growth companies that we believe are well-positioned to maintain steady growth rates. As a result, the portfolio continues to have a balance of high growth and cyclical/value stocks.

The transition to a post-Covid economy has been complicated by a sharp rise in inflation, persistent supply chain challenges, and more hawkish central banks. However, we continue to expect technology to be the persistent driver of long-term economic growth.

### **Top Contributors and Detractors**

The Allianz Technology Trust underperformed the Dow Jones World Technology Index (sterling adjusted, total return) by 7.9 percentage points and the FTSE All-Share Index by 26.0 percentage points during the period. The portfolio's underperformance has been largely due to the market rotation from growth stocks amid concerns around inflation and rising interest rates.

Our underweight position in Facebook's parent company, Meta Platforms, was a top relative contributor. During the period, the company reported disappointing quarterly results, and management provided muted guidance. The company's fundamentals were negatively impacted by greater than anticipated challenges associated with Apple's privacy changes (IDFA). Additionally, Meta is seeing a rapid migration of users toward short-form videos where the company faces stiff competition and lower current monetisation rates. Finally, the company is investing aggressively in the metaverse, which is in the very early stage of development and a long way from commercial roll out.

Our position in security software vendor, CrowdStrike, was also a top relative contributor. The company is emerging as a leader in the next-generation endpoint security market. Shares gained after the company reported better than expected revenues and profits in the most recent quarter driven by strong momentum in new client sales and growth with current customers. Management also gave guidance that suggested strong growth and profitability would persist for the current fiscal year. We continue to believe CrowdStrike's best-in-class endpoint security solutions are particularly relevant in the new distributed workforce context that many enterprises find themselves in today.

Other top active contributors included our overweight positions in Palo Alto Networks and Box, as well as an underweight to NVIDIA.

Our position in cloud-based data storage and analytics company Snowflake was a top relative detractor. The company reported strong quarterly financial results with 102% year-on-year revenue growth, but this fell short of elevated expectations. Snowflake had record bookings during the quarter and added another fourteen Fortune 500 customers and twenty one in the Forbes Global 2000. Snowflake has built a highly advanced cloud-native architecture that represents a major leap over traditional analytical databases that have been in the market for decades. In our view, the company should deliver rapid growth for several years as it benefits from the cloud transition and the rising demand for cloud security solutions.

Our position in cloud security company Zscaler was also a top relative detractor amid the growth software sell-off. The company reported quarterly financial results that exceeded expectations driven by strong billings growth. Despite the volatile market environment, we believe the company remains well-positioned to produce very attractive long-term growth. 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.

Other active detractors included overweight positions in Okta and Lyft, and an underweight to Apple.

## 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 Covid-19 crisis has already spurred the use of technology and will continue to change how we live and work in the future. Additionally, many businesses are struggling to find workers to meet customer demand and need technology solutions to improve productivity of limited staffs. As companies need to reduce costs and improve productivity, 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 use 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 & Mike Seidenberg**

8 August 2022

## SUMMARY OF UNAUDITED RESULTS

### INCOME STATEMENT

for the six months ended 30 June 2022

	(Note 1)	Revenue £'000s	Capital £'000s	Total Return £'000s
Losses on investments held at fair value through profit or loss		-	(455,025)	(455,025)
Exchange gains on currency balances		43	6,039	6,082
Income		3,158	-	3,158
Investment management and performance fee (Note 2)		(3,604)	-	(3,604)
Administration expenses		(510)	-	(510)
<b>(Loss) profit before finance costs and taxation</b>		<b>(913)</b>	<b>(448,986)</b>	<b>(449,899)</b>
Finance costs: Interest payable and similar charges		-	-	-
<b>(Loss) profit on ordinary activities before taxation</b>		<b>(913)</b>	<b>(448,986)</b>	<b>(449,899)</b>
Taxation		(393)	-	(393)
<b>(Loss) profit attributable to Ordinary Shareholders</b>		<b>(1,306)</b>	<b>(448,986)</b>	<b>(450,292)</b>
<b>(Loss) earnings per Ordinary Share (Note 3)</b>		<b>(0.31p)</b>	<b>(106.81p)</b>	<b>(107.12p)</b>

## BALANCE SHEET

as at 30 June 2022

	<b>£'000s</b>
Investments held at fair value through profit or loss (Note 4)	914,379
Cash and cash equivalents	88,275
Other net current liabilities	(943)
<b>Total Net Assets</b>	<b>1,001,711</b>
Called up Share Capital	10,719
Share Premium Account	334,191
Capital Redemption Reserve	1,021
Capital Reserve	689,189
Revenue Reserve	(33,409)
<b>Shareholders' Funds</b>	<b>1,001,711</b>
<b>Net Asset Value per Ordinary Share</b>	<b>241.5p</b>

The net asset value is based on ordinary shares in issue of 414,774,931  
Treasury shares in issue 13,981,749

## INCOME STATEMENT

for the six months ended 30 June 2021

	(Note 1)	Revenue £'000s	Capital £'000s	Total Return £'000s
Gains on investments held at fair value through profit or loss		-	89,035	89,035
Exchange losses on currency balances		(23)	(873)	(896)
Income		2,259	-	2,259
Investment management and performance fee (Note 2)		(3,960)	-	(3,960)
Administration expenses		(679)	-	(679)
<b>(Loss) profit before finance costs and taxation</b>		<b>(2,403)</b>	<b>88,162</b>	<b>85,759</b>
Finance costs: Interest payable and similar charges		-	-	-
<b>(Loss) profit on ordinary activities before taxation</b>		<b>(2,403)</b>	<b>88,162</b>	<b>85,759</b>
Taxation		(285)	-	(285)
<b>(Loss) profit attributable to Ordinary Shareholders</b>		<b>(2,688)</b>	<b>88,162</b>	<b>85,474</b>
<b>(Loss) earnings per Ordinary Share (Note 3)</b>		<b>(0.63p)</b>	<b>20.61p</b>	<b>19.98p</b>

## BALANCE SHEET

as at 30 June 2021

	<b>£'000s</b>
Investments held at fair value through profit or loss (Note 4)	1,305,272
Cash and cash equivalents	28,496
Other net current liabilities	(2,267)
<b>Total Net Assets</b>	<b>1,331,501</b>
Called up Share Capital	10,719*
Share Premium Account	334,191*
Capital Redemption Reserve	1,021
Capital Reserve	1,015,228*
Revenue Reserve	(29,658)
<b>Shareholders' Funds</b>	<b>1,331,501</b>

**Net Asset Value per Ordinary Share****311.6p**

The net asset value is based on ordinary shares in issue of  
Treasury shares in issue

427,285,625  
1,471,055

\* Comparative figures have been restated (Note 8)

.

**BALANCE SHEET**

as at 31 December 2021

**£'000s**

Investments held at fair value through profit or loss (Note 4)	1,428,136
Cash and cash equivalents	45,968
Other net current liabilities	(1,732)
<b>Total Net Assets</b>	<b>1,472,372</b>

Called up Share Capital	10,719
Share Premium Account	334,191
Capital Redemption Reserve	1,021
Capital Reserve	1,158,544
Revenue Reserve	(32,103)
<b>Shareholders' Funds</b>	<b>1,472,372</b>

**Net Asset Value per Ordinary Share****347.9p**

The net asset value is based on ordinary shares in issue of  
Treasury shares in issue

423,191,590  
5,565,090

.

**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
<b>Six months ended 30 June 2022</b>						
Net assets at 1 January 2022	10,719	334,191	1,021	1,158,544	(32,103)	1,472,372
Revenue loss	-	-	-	-	(1,306)	(1,306)
Shares repurchased into treasury during the period (Note 5)	-	-	-	(20,369)	-	(20,369)
Capital loss	-	-	-	(448,986)	-	(448,986)
Net assets at 30 June 2022	10,719	334,191	1,021	689,189	(33,409)	1,001,711
<b>Six months ended 30 June 2021</b>						
Net assets at 1 January 2021	10,549	313,360	1,021	931,227	(26,970)	1,229,187
Revenue loss	-	-	-	-	(2,688)	(2,688)
Shares issued from block listing facility during the period (Note 5)	170	20,831	-	-	-	21,001
Shares repurchased into treasury during the period (Note 5)	-	-	-	(4,161)	-	(4,161)*
Capital profit	-	-	-	88,162	-	88,162
Net assets at 30 June 2021	10,719*	334,191*	1,021	1,015,228*	(29,658)	1,331,501

\*Comparative figures have been restated (Note 8)

.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 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 Statement of Recommended Practice - 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (SORP) issued by the Association of Investment Companies (AIC) in April 2021.

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 2021.

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 was the appointed Investment Manager up to 25 July 2022. Effective from 25 July 2022, AllianzGI entered into a strategic partnership with Voya Investment Management (Voya). AllianzGI will continue its role as Alternative Investment Fund Manager, providing company secretarial, administrative and sales and marketing services and Portfolio Management services will be provided by Voya. The aggregate fees paid by the Company to AllianzGI and Voya do not change. The management agreement provides for 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 January 2022, the performance fee entitlement is equal to 10.0% (1 December 2013 to 31 December 2021: 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 2021 this 'high water mark' (HWM) was 297.2p 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 1.75% of the average daily NAV of the Company over the period (2020: 2.25% of year-end NAV). 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 2022 was £nil (30 June 2021: £nil; 31 December 2021: £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 loss for the half year of £450,292,000 (30 June 2021: net profit of £85,474,000, 31 December 2021: net profit of £238,956,000) and on the weighted average number of Ordinary shares in issue during the period of 420,370,209 (30 June 2021: 427,710,854, 31 December 2021: 426,291,035).

### 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 2022, the financial assets at fair value through profit or loss of £914,379,000 (31 December 2021: £1,428,136,000) are categorised as follows:

	<b>As at 30 June 2022 £'000s</b>	<b>As at 31 December 2021 £'000s</b>
Level 1	914,379	1,428,136
Level 2	-	-
Level 3	-	-
	<u>914,379</u>	<u>1,428,136</u>

#### **Note 5 – Called up Share Capital**

At 30 June 2022 there were 414,774,931 Ordinary shares in issue (30 June 2021: 427,285,625; 31 December 2021: 423,191,590). During the half-year ended 30 June 2022 the Company repurchased 8,416,659 Ordinary shares into treasury (half-year ended 30 June 2021: 1,471,055; and year ended 31 December 2021: 5,565,090). During the same period the Company issued nil shares into the market from the Ordinary shares held in treasury, (half-year ended 30 June 2021: nil shares; year ended 31 December 2021: nil shares). The Company issued a further nil Ordinary shares, from the authorised block listing facility, during the period (half-year ended 30 June 2021: 6,800,000; and year ended 31 December 2021: 6,800,000). The proceeds from the total number of Ordinary shares issued amounted to nil (half-year ended 30 June 2021: £21,001,000; and year ended 31 December 2021: £21,001,000).

Since the period end a further 2,006,383 Ordinary shares have been repurchased into treasury.

#### **Note 6 – Investments**

Purchases for the half-year ended 30 June 2022 were £433,944,000 (30 June 2021: £524,186,000) and sales were £492,676,000 (30 June 2021: £523,493,000).

#### **Note 7 – Transaction Costs**

Brokers commission costs on equity purchases for the half-year ended 30 June 2022 amounted to £104,000 (30 June 2021: £83,000) and on sales amounted to £134,000 (30 June 2021: £85,000).

#### **Note 8 – Restatement of 2021 Comparative Information**

Shares repurchased into treasury are presented in the Capital Reserve in the Statement of Changes in Equity with comparatives restated. In 2021 the nominal amount paid/payable was disclosed in Called up Share Capital (£37,000) and the amount in excess of this was disclosed in the Share Premium Account (£4,124,000). The change in presentation has no impact on the net assets. Share Capital has increased from £10,682,000 to £10,719,000, the Share Premium Account has increased from £330,067,000 to £334,191,000 and Capital Reserves decreased from £1,019,389,000 to £1,015,228,000.

#### **Note 9 – Comparative Information**

The half yearly financial report to 30 June 2022 and the comparative information to 30 June 2021 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 2021 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.

## INVESTMENT PORTFOLIO

As at 30 June 2022

Investment	Sector <sup>#</sup>	Sub sector <sup>#</sup>	Country	Valuation £'000s	% of Portfolio
Microsoft	Software	Systems Software	United States	62,713	6.8
Apple	Technology, Hardware Storage & Peripherals	Technology, Hardware Storage & Peripherals	United States	62,131	6.8
Alphabet	Interactive Media & Services	Interactive Media & Services	United States	57,118	6.2
Tesla	Automobiles	Automobile Manufacturers	United States	42,852	4.7
ON Semiconductor	Semiconductors & Semiconductor Equipment	Semiconductors	United States	37,242	4.1
Broadcom	Semiconductors & Semiconductor Equipment	Semiconductors	United States	35,936	3.9
CrowdStrike	Software	Systems Software	United States	34,988	3.8
Taiwan Semiconductor Manufacturing ADR	Semiconductors & Semiconductor Equipment	Semiconductors	Taiwan	34,515	3.8
Palo Alto Networks	Software	Systems Software	United States	33,434	3.7
Micron Technology	Semiconductors & Semiconductor Equipment	Semiconductors	United States	29,861	3.3
<b>Top ten investments</b>				<b>430,790</b>	<b>47.1</b>
Seagate Technology	Technology, Hardware Storage & Peripherals	Technology, Hardware Storage & Peripherals	Ireland	29,824	3.3
Infineon Technologies	Semiconductors & Semiconductor Equipment	Semiconductors	Germany	28,635	3.1
Aspen Technology	Software	Application Software	United States	26,371	2.9
Box	Software	Application Software	United States	25,638	2.8
Datadog	Software	Application Software	United States	24,957	2.7
Zscaler	Software	Systems Software	United States	24,559	2.7
SK Hynix	Semiconductors & Semiconductor Equipment	Semiconductors	South Korea	21,062	2.3
Paycom Software	Software	Application Software	United States	19,087	2.1
MongoDB	IT Services	Internet Services & Infrastructure	United States	17,977	2.0
Oracle	Software	Systems Software	United States	17,038	1.9
<b>Top Twenty Investments</b>				<b>665,938</b>	<b>72.9</b>
NVIDIA	Semiconductors & Semiconductor Equipment	Semiconductors	United States	16,550	1.8
KnowBe4	Software	Systems Software	United States	16,518	1.8
Mastercard	IT Services	Data Processing & Outsourced Services	United States	16,110	1.8
Booking	Hotels, Restaurants & Leisure	Hotels, Resorts & Cruise Lines	United States	15,006	1.6
Nortonlifelock	Software	Systems Software	United States	14,172	1.5
Arista Networks	Communications Equipment	Communications Equipment	United States	13,263	1.5
STMicroelectronics	Semiconductors & Semiconductor Equipment	Semiconductors	Netherlands	12,419	1.4
Okta	IT Services	Internet Services & Infrastructure	United States	12,249	1.3
Adyen	IT Services	Data Processing & Outsourced Services	Netherlands	10,724	1.2
Applied Materials	Semiconductors & Semiconductor Equipment	Semiconductor Equipment	United States	10,567	1.1
<b>Top Thirty Investments</b>				<b>803,516</b>	<b>87.9</b>
Computacenter	IT Services	IT Consulting & Other Services	United Kingdom	9,638	1.1
Lyft	Road & Rail	Trucking	United States	9,418	1.0
Flex	Electronic Equipment	Electronic Manufacturing	Singapore	9,003	1.0

Uber Technologies	Instruments & Components Road & Rail	Services Trucking	United States	8,603	0.9
Take-Two Interactive Software F5	Entertainment	Interactive Home Entertainment Communications Equipment	United States	6,431	0.7
Marvell Technology	Communications Equipment Semiconductors & Semiconductor Equipment	Communications Equipment Semiconductors	United States	6,155	0.7
Samsung Electronics	Technology, Hardware Storage & Peripherals	Technology, Hardware Storage & Peripherals	South Korea	6,002	0.7
ZoomInfo Technologies	Interactive Media & Services	Interactive Media & Services	United States	5,973	0.7
Altair Engineering	Software	Application Software	United States	5,846	0.5
<b>Top Forty Investments</b>				<b>876,610</b>	<b>95.9</b>
Snowflake	IT Services	Internet Services & Infrastructure	United States	5,531	0.6
ASML	Semiconductors & Semiconductor Equipment	Semiconductor Equipment	Netherlands	5,335	0.6
Automatic Data Processing Smartsheet	IT Services	Data Processing & Outsourced Services	United States	5,321	0.6
Workday	Software	Application Software	United States	5,141	0.6
Block	Software	Application Software	United States	4,649	0.5
Advanced Micro Devices	IT Services	Data Processing & Outsourced Services	United States	4,310	0.5
Cognex	Semiconductors & Semiconductor Equipment Electronic Equipment Instruments & Components	Semiconductors Electronic Equipment & Instruments	United States	3,908	0.4
				3,574	0.3
<b>Total Investments</b>				<b>914,379</b>	<b>100.0</b>

#GICS Industry classifications

## PORTFOLIO ANALYSIS

As at 30 June 2022

<b>By Sector#</b>	<b>% of Portfolio</b>	<b>By Country</b>	<b>% of Portfolio</b>
Software	34.5	United States	81.7
Semiconductors & Semiconductor Equipment	26.5	Taiwan	3.8
Technology, Hardware Storage & Peripherals	10.7	Ireland	3.3
IT Services	9.0	Germany	3.1
Interactive Media & Services	6.9	Netherlands	3.1
Automobiles	4.7	South Korea	3.0
Communications Equipment	2.1	United Kingdom	1.1
Road & Rail	2.0	Singapore	1.0
Hotels, Restaurants & Leisure	1.6		
Electronic Equipment	1.4		
Instruments & Components			
Entertainment	0.7		
<b>Total Portfolio</b>	<b>100.0</b>	<b>Total Portfolio</b>	<b>100.0</b>

# GICS Industry Classifications

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%.

For further information, please contact:

<b>Kelly Nice</b> Company Secretary Allianz Technology Trust PLC Tel: 020 3246 7475	<b>Stephanie Carbonneil</b> Head of Investment Trusts Allianz Global Investors GmbH, UK Branch Tel: 020 3246 7256
--	--