

# Allianz Technology Trust PLC

Technology investing from the heart of the industry

**Allianz**   
Global Investors

## Aim

The Trust's objective is to achieve long-term capital growth by investing principally in the equity securities of quoted technology companies on a worldwide basis.

## Trust Benefits

The award-winning Allianz Technology Trust PLC offers investors access to the fast moving world of technology with the reassurance that investment decisions are made by the highly experienced Global Technology Team which currently manages \$12bn in assets under management.

## At the Heart of the Industry

Allianz Technology Trust is managed by the highly experienced Global Technology team based in San Francisco. The team benefits from its close proximity to Silicon Valley where many of the world's key technology companies are headquartered.

## Awards & Ratings



A ranking, a rating or an award provides no indicator of future performance and is not constant over time.

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## Key Information

Launch Date	December 1995
AllianzGI Appointment	April 2007
AIC Sector	Specialist Sector: Technology, Media & Telecoms
Benchmark	Dow Jones World Technology Index (sterling adjusted, total return)
Annual Management Fee	0.8% p.a. on market capitalisation up to £400 million, 0.6% p.a. on any market capitalisation between £400 million and £1 billion, and 0.5% p.a. on any market capitalisation over £1 billion. In addition there is an admin fee of £55,000 p.a.
Performance Fee <sup>1</sup>	Yes
Ongoing Charges <sup>2</sup>	0.70%
Year End	31 December
Annual Financial Report	Final published in March, Half-yearly published in August
AGM	April
NAV Frequency	Daily
Price Information	Financial Times, The Daily Telegraph, www.allianztechnologytrust.com
Company Secretary	Kelly Nice
Investment Manager	Mike Seidenberg
Codes	RIC: ATT.L SEDOL: BNG2M15

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

2. As at the Trust's Financial Year End (31.12.2022). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses, which include the annual management fee, incurred in the running of the company but excluding financing costs.

**Total Assets** £1,168.6m    **Shares in Issue** 395,066,441 (Ordinary 2.5p)    **Market Cap** £1,033.1m

Share Price  
**261.5p**

NAV per Share  
**295.8p**

Premium/-Discount  
**-11.6%**

From 25 July 2022, discretionary portfolio management services formerly provided to Allianz Technology Trust PLC (the "Company") by Allianz Global Investors ("AllianzGI") have been delegated to Voya Investment Management Co. LLC ("Voya IM"). All members of the former AllianzGI Global Technology Team transferred to Voya IM and continue to manage the Company's portfolio. It is anticipated that there will be no change to the investment process. AllianzGI will remain the Company's AIFM (Alternative Investment Fund Manager), providing company secretarial, administration and sales and marketing services.

All data source DataStream and Allianz Global Investors as at 30.09.23 unless otherwise stated.

## Fund Manager's Review

### Portfolio overview

The Allianz Technology Trust's Net Asset Value (NAV) total return for September was -3.15%, compared to the Dow Jones World Technology Index return of -2.27%. During the month, performance was favourably impacted by a below-benchmark weight in technology hardware and positive stockpicking in interactive media. This was offset by allocation decisions, including exposure to select technology-focused retailers, alongside short-term stock selection in semiconductor and IT services industries.

### Contributors

Meta Platforms Inc. was the top contributor to performance in September. The social technology leader, which builds applications to help people connect, find communities and grow businesses, was higher thanks to a continuation of momentum related to recent cost-cutting initiatives, software and hardware product development, and potential future growth related to artificial intelligence-related applications. We continue to have an above-benchmark allocation in the company thanks to its strong competitive position, expectations of resilient earnings growth and a reasonable valuation level relative to history and peers.

Our active underweight allocation in iPhone, personal computer and wearables giant Apple Inc. also contributed to relative results in September. The company declined as investors sold shares post the release of the company's new iPhone 15, combined with a potential impact from slowing growth in China related to a ban for government employees to own the device. We trimmed our position slightly during the month due to lackluster near-term earnings catalysts. Our longer-term investment case on the stock remains intact, although we are structurally underweight due to the stock's significant weight in the benchmark, due to its unmatched competitive position and history of innovation.

Other top relative contributors included active overweight allocations to cybersecurity providers CrowdStrike Holdings, Inc. and Zscaler, Inc. as well as a non-benchmark allocation to ride hailing and delivery provider Uber Technologies, Inc.

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### Detractors

Shopify, Inc. was a top detractor in September. The online commerce platform was lower due in part to a potential slowdown in consumer demand, which has been moderated by rising rates, higher oil prices and a softening economic outlook, as well as concerns that current valuation multiples may be a bit stretched. We continue to have a high level of conviction in the stock as a portfolio holding given its leadership position and expectations of secular growth in the cloud-based digital-commerce software which is leveraged by merchants to sell products and services.

Our above-benchmark allocation to three-dimensional (3D) graphics processors and related software leader Nvidia Corp. also detracted from monthly results. The stock had been a strong performer throughout the calendar year and shares were impacted by an overall pullback in the technology sector and profit-taking following a strong upside earnings surprise in late August, with the company reiterating its AI dominance and secular growth tailwinds. We continue to have a favourable viewpoint on the stock as a portfolio holding given the long-term leadership position.

Other top detractors included an underweight allocation to Microsoft Corp., our exposure to Netflix, Inc. and below-benchmark allocation in Intel Corp.

### Market outlook

The bull market run over the first half of the year continued to take a



### Mike Seidenberg, Lead Portfolio Manager

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

pause as markets pulled back for the second month in a row. There remains a great deal of uncertainty ahead regarding the prospect of slowing economic growth and whether or not inflation has truly been tamed by the unprecedented central bank rate hikes over the past year. It appears that the U.S. Federal Reserve is nearing the end of the rate hike cycle. We are cautiously optimistic that we may achieve the soft-landing scenario. Our expectation is that market volatility is likely to persist in the near-term and active management, with a strong emphasis on bottom-up stockpicking and higher-quality names, can differentiate from broader market indices.

Our viewpoint on the secular growth opportunities and benefits from technology-led companies remains robust. We believe recent macro challenges could translate to an attractive opportunity for investors as the technology sector is likely to continue benefitting from long-term tailwinds which should drive capital appreciation over time. Many companies remain challenged to find workers to meet customer demands and are likely to further leverage technology-based solutions to improve productivity of limited staffs. As companies need to reduce costs and improve productivity, particularly in light of a potentially uncertain macroeconomic outlook, we expect to see accelerating demand for innovative and more productive solutions such as cloud, software-as-a-service and cybersecurity, etc. We remain excited about the advancement of AI and what it means to the companies who trial and embrace these new models. We are in a period of rapid change, where the importance of technology is key to the prosperity of most industries. We believe that this environment is likely to provide attractive growth opportunities in many technology stocks over the next several years.

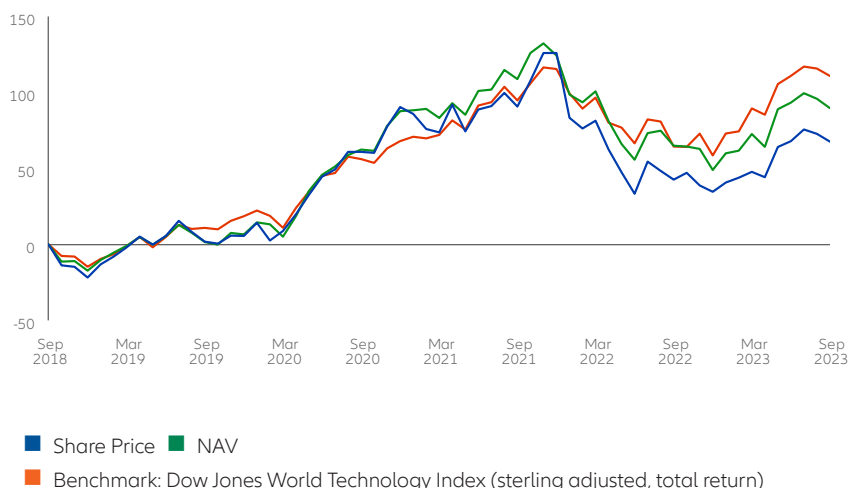
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets — particularly for bottom-up stock pickers with proven long-term selection capabilities.

Mike Seidenberg  
12 October 2023

This is no recommendation or solicitation to buy or sell any particular security. Any security mentioned above will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

## Performance Track Record

### Five Year Performance (%)



### Risk & Features

Investment trusts are quoted companies listed on the London Stock Exchange. Their share prices are determined by factors including the balance of supply and demand in the market.

Competition among technology companies may result in aggressive pricing of their products and services, which may affect the profitability of the companies in which the Trust invests. In addition, because of the rapid pace of technological development, products or services developed by these companies may become rapidly obsolete or have relatively short product cycles. This may have the effect of making the Trust's returns more volatile than the returns of a fund that does not invest in similarly related companies.

Derivatives can be used to manage the Trust efficiently.

### Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	-0.2	13.4	17.5	4.2	67.6
NAV	-1.3	10.5	15.7	17.4	90.7
Benchmark	0.0	11.3	28.3	35.0	110.9

### Discrete 12 Month Returns to 30 September (%)

	2023	2022	2021	2020	2019
Share Price	17.5	-25.2	18.5	58.1	1.8
NAV	15.7	-21.0	28.5	59.9	1.6
Benchmark	28.3	-15.6	24.7	40.8	10.9

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 30.09.23. Copyright 2023 © DataStream, a Thomson Reuters company. All rights reserved. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Past performance does not predict future returns. Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors might not get back the full amount invested.

## Portfolio Breakdown

### Sector Breakdown (%)

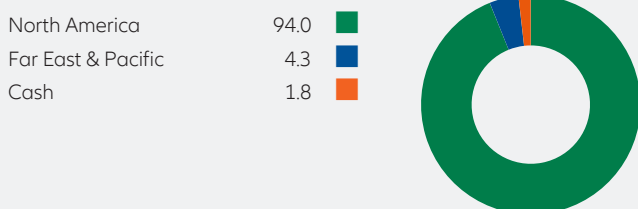
Information Technology	87.8	<div style="width: 87.8%;"></div>
Consumer Discretionary	10.5	<div style="width: 10.5%;"></div>
Cash	1.8	<div style="width: 1.8%;"></div>

### Top Ten Holdings (%)

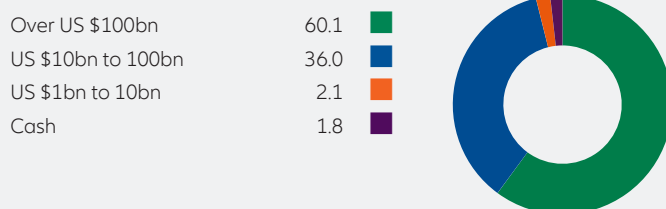
Microsoft	8.2
Nvidia	7.8
Meta	7.8
Apple	7.5
Alphabet - A shares	6.0
Amazon	4.4
Datadog	2.7
MongoDB	2.6
Micron Technology	2.5
Lam Research	2.4

Total number of holdings 44

### Geographic Breakdown (%)



### Market Cap Breakdown (%)



The data shown is not constant over time and the allocation may change in the future. Totals may not sum to 100.0% due to rounding. This is no recommendation or solicitation to buy or sell any particular security.

## Board of Directors

Tim Scholefield (Chairman)

Katya Thomson (Chair of the Audit & Risk Committee)

Humphrey van der Klugt (Senior Independent Director)

Neeta Patel

Elisabeth Scott

## Glossary

**Share Price** is the price of a single ordinary share, as determined by the stock market. The price shown above is the mid-market price.

**Net Asset Value (NAV) per Share** is calculated as available shareholders' funds divided by the number of shares in issue, with shareholders' funds taken to be the net value of all the company's assets after deducting liabilities. An undiluted, cum-income NAV is shown.

**Premium/Discount.** Since investment company shares are traded on a stock market, the share price that you get may be higher or lower than the NAV. The difference is known as a discount or premium.

## How to invest

You can buy shares in the Trust through:

- A third party provider - see 'How to Invest' on our website, where you will find links to a range of these platforms, many of which allow you to hold the shares within an ISA, Junior ISA, SIPP and/or savings scheme.
- A stockbroker.
- A financial adviser.

## Contact us

If you have any queries regarding our investment trusts our Investor Services team can be contacted on:

0800 389 4696

[www.allianztechnologytrust.com](http://www.allianztechnologytrust.com)

**E-mail:** [investment-trusts@allianzgi.com](mailto:investment-trusts@allianzgi.com)

You will find much more information about Allianz Technology Trust on our website.

Please note that we can only offer information and are unable to provide investment advice. You should contact your financial adviser before making any investment decision.



**Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors may not get back the full amount invested.** The views and opinions expressed herein, which are subject to change without notice, are those of the issuer and/or its affiliated companies at the time of publication. The data used is derived from various sources, and assumed to be correct and reliable, but it has not been independently verified; its accuracy or completeness is not guaranteed and no liability is assumed for any direct or consequential losses arising from its use, unless caused by gross negligence or wilful misconduct. The conditions of any underlying offer or contract that may have been or will be made or concluded shall prevail. For further information contact the issuer at the address indicated below.

**All data source Allianz Global Investors as at 30.09.23 unless otherwise stated.**

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