

Premium China Fund

Top 10 Portfolio Holdings as at 31 May 2021

Tencent (Media & Entertainment)

Market Cap: USD 765.2 Billion



- Tencent, a world leader in the internet-related services space, provides services across instant messaging, social media, email, web-portals, e-commerce, advertising, online payment as well as multiplayer games.
- With offerings including QQ Instant Messenger and WeChat, Tencent is providing similar services to the likes of Facebook, Twitter and WhatsApp. By the end of Q2 2018, QQ had 803 million monthly active user accounts, whilst WeChat, since its launch in 2011, accommodates for over 1 Billion monthly active users.
- In November 2017, Tencent's market value reached US\$528 billion, surpassing Facebook's market value at the time, which resulted in it being recognised as one of the world's top 5 most valuable public companies.

China Merchants Bank (Banks)

Market Cap: USD 230.9 Billion



- Established in 1987, China Merchants Bank is a commercial bank, providing services ranging from deposits, loans, wealth management, asset custody, finance leasing, investment banking, and other banking services. It was the first joint-stock commercial bank wholly owned by corporate legal entities. As well as being the first bank to issue the "All-in-One Card" as well as first Dual-currency international credit card.
- As of 2017 the company opened its first Sydney office to expand its operations and scope of its business. Looking into the future the company aims to position itself as a "Digital Bank", increasing the companies focus on technology integration for customers.

Li Ning Co (Consumer durables & apparel)

Market Cap: USD 23.4 Billion



- Li Ning is a leading sports brand offering professional and leisure footwear, apparel, equipment and accessories that is based in China.
- Established in Guangdong in 1989, the company has an extensive retail distribution network and supply chain management system in China.
- The company also distributes many other products that are self-owned or licensed to the group such as Double Happiness, AIGLE, Danskin and many more.

China Tourism Group Duty Free (Retailing)

Market Cap: USD 102.5 Billion



- China Tourism Group Duty Free Corp, founded in 1984, is the largest duty-free retailer in China with more than 90% market shares, mainly operates duty free shops in Hainan island and the major international airports in China.
- The Company sees the favourable domestic spending momentum, boosted by the central government's dual circulation agenda and the renewed duty-free policies.
- Over the last 30 years, the Company have established long-term partnerships with over 1000 top luxury brands in the world and has established over 200 retail stores in more than 90 cities across 30 provinces, including Taiwan, Hong Kong and Macao.

Kweichow Moutai (Food, Beverage & Tobacco)

Market Cap: USD 437.4Billion



- Kweichow Moutai is China's largest and most revered liquor producer. Its premium spirits serve as prestigious gifts and are often consumed during special occasions.
- With its premium brand positioning and effective channel management, Moutai has successfully expanded its market share in private consumption in light of overall decline in the public sector arising from government clampdowns on lavish spending.
- Brand-driven margins help the company to ensure stable cash flows, which are expected to grow in 2018 through stronger volume growth.

Pinduoduo (Retailing)

Market Cap: USD 156.5 Billion



- Pinduoduo was founded in September 2015 as a “new e-commerce” platform dedicated to providing value-for-money products and interesting interactive shopping experiences for its users.
- After three years of establishment, the platform has gathered 41.85 billion annual active buyers and more than 360 million active merchants. The annual trading volume of the platform exceeds 471.6 billion Yuan, and it has rapidly developed into the third largest e-commerce platform in China.
- In July 2018, the company was officially listed on the NASDAQ Stock Exchange.

COSCO SHIPPING (Transportation)

Market Cap: USD 37.9 Billion



- China Ocean Shipping Company, was founded as the first international ocean shipping company of the PRC. COSCO Guangzhou Branch. In 2015, COSCO Group merged with fellow Chinese Government owned China Shipping Group to form China COSCO Shipping.
- The company's vision is to undertake globalisation of the Chinese economy, and consolidate its advantages to build a world-leading business entity that provides integrated logistics and supply chain services.
- As of 30 September 2020, the total fleet of COSCO SHIPPING comprises of 1371 vessels with a capacity of 109.33 million DWT, ranking No.1 in the world. Furthermore, their container fleet capacity is 3.16million TEU, ranking the third in the world.

Galaxy Entertainment Group (Consumer Services)

Market Cap: USD 35.3 Billion



- Galaxy Entertainment Group is a Hong Kong-listed company which owns and operates hotels and casinos in Macau. Owned by the well-established Ka Wah Group in Hong Kong, Galaxy is one of the only six Macau gaming concessionaries entitled to operate casinos.
- In 2011, the company opened Galaxy Macau, its main casino project, which has ramped up successfully. Phase two of Galaxy Macau was approved by the Macau government in 2012, with a completion in mid-2015. The group has already outlined its plans for Phases 3 & 4 of its Cotai land

Alibaba Group (Retailing)

Market Cap: USD 589.6 Billion



- Alibaba, an e-commerce giant, provides services ranging from web portals connecting businesses and consumers, electronic payment services and internet infrastructure.
- Its flagship site Alibaba.com is the world's largest online business-to-business trading platform for small businesses, handling sales between importers and exporters from over 240 countries. whilst its consumer-to-consumer portal—Taobao functions similar to eBay featuring nearly a billion products. Currently, it is amongst one of the 20 most visited websites globally on a consistent basis.
- Global brands such as Nike, Uniqlo and Burberry, use Alibaba's Tmall platform to market to an estimated 300 million shoppers. The companies online payment platform—Alipay is larger than PayPal and accounts for roughly half of all online payment transactions within China.

AIA Group Ltd (Insurance)

Market Cap: USD 154.6 Billion



- AIA Group is a multinational insurance and finance corporation in 1919, in Shanghai, China presently they are situated in Hong Kong. AIA is the largest independent publicly listed pan-Asian life insurance group – with a presence in 18 markets across the Asia-Pacific region.
- AIA Group Limited today announces that it has successfully priced US\$750 million of 2.7 per cent resettable subordinated perpetual securities under its US\$12 billion Global Medium Term Note and Securities Programme.

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