

Premium China Fund

Top 10 Portfolio Holdings as at 30 September 2023

Tencent (Media & Entertainment)

Market Cap: USD 373.7 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.

Alibaba Group (Retailing)

Market Cap: USD 222.4 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.

China National Offshore Oil Company (Energy)

Market Cap: USD 86.2 Billion



- Founded in 1999, CNOOC engages in the exploration, production and selling of crude oil, natural gas as well as other petroleum products. The company's exploration sites, from which it extracts its crude oil and natural gas, are on offshore rigs in Bohai, Western South China Sea, Eastern South China Sea, and the East China Sea.
- On the 23rd of August 2018, the company announced its profits had increased by 57% year on year, whilst also announcing an interim dividend of HK \$0.30 per share, on the back of inflationary pressures from the international market. CNOOC, however, has been able to maintain its all-in production expenses at \$31.83 per barrel. This has allowed it to remain competitive within the global market.

Meituan (Retailing)

Market Cap: USD 91.4 Billion



- Meituan Dianping is China's leading e-commerce platform service, operating well-known apps such as Meituan, Dianping, Meituan Waimai and Mobike.
- With services across 200 categories, Meituan's businesses encompass catering, on-demand delivery, car hailing, bike sharing, hotel and travel bookings, movie ticketing and others entertainment services.
- The company's services spread across 2,800 cities and counties, reaching total revenue streams of RMB 515.6 billion in 2018.

Pinduoduo (Retailing)

Market Cap: USD 134.2 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.

Kweichow Moutai (Food, Beverage & Tobacco)

Market Cap: USD 397.9 Billion



- 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.

China Telecom Corp (Telecom Services)

Market Cap: USD 68.5 Billion



- China Telecom Corporation Limited was founded in China and listed on the Stock Exchange of Hong Kong Limited in November of 2002 and listed on the Shanghai Stock Exchange in August 2021.
- They are a large-scale and leading integrated intelligent information services operator in the world, providing wireline and mobile telecommunications services, internet access services, information services and other services, mainly in China.
- As at the end of 2020, the Company had around 351 million mobile subscribers, 159 million broadband subscribers and around 108 million access lines in service.

China Railway Group (Capital Goods)

Market Cap: USD 19.8 Billion



- China Railway Group is a corporate conglomerate that are engaged in engineering survey, design and construction, real estate development and many more.
- Headquartered in Beijing, the company has been listed among the Fortune Global 500 since 2005, in which they were ranked 34th in 2022.
- One of the more prominent projects that the company have undertaken include the Tanzania-Zambia Railway and they have since successfully built projects across Asia, Africa, South America, Europe and the Atlantic.

China Construction Bank (Banks)

Market Cap: USD 152.0 Billion



- The China Construction Bank (CCB) was founded in October 1954 and is one of the four major banks in mainland China. It has a diverse range of financial and banking services, which has driven its profits, ranking it 6th globally in terms of market value.
- On a recent Forbes listing of "The World's Largest Public Companies", the China Construction Bank was ranked 2nd globally in terms total assets, which amounted to RMB 3,631.6 billion as at end of June 2018.
- With over 13,000 domestic branches established, CCB is expanding its overseas market by deploying offices in cities like New York, Tokyo and Sydney.

Ping An Insurance (Insurance)

Market Cap: USD 111.9 Billion



- Established in 1988, Ping An Insurance group is China's biggest insurer, being reigns as the supreme as the industry's No.1 by profit and return on equity. Ranking 10th on Forbes global listing of "The world's Largest public companies".
- Being the very first Chinese non-state-owned financial conglomerates, Ping An covers a wide services ranging from banking products to asset management and insurance related services. The group has had the ability to gain the earlier mover advantage adopting blockchain and artificial intelligence across its vast territory in finance.

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