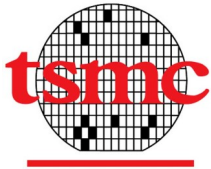


# Premium Asia Fund

## Top 10 Holdings as at 30 June 2016

### Taiwan Semiconductor Manufacturing (Technology Hardware)

Market Cap: USD 130.8 Billion



- Taiwan Semiconductor Manufacturing is the world's largest independent semiconductor foundry. The company provides process design, wafer manufacturing and testing services to designers of integrated circuits, that is, chips for electronic devices.
- Currently rumoured to be the exclusive supplier of the A10 chip, which is expected to power the iPhone 7, and A11 chip for what could be named the iPhone 8, its clientele include global giants such as Apple, Qualcomm, Nvidia and Huawei Technologies.
- As a world leader with more than 50% share of the outsourcing market, the company has consistently outperformed its competitors in terms of technology and profitability.

### Tencent Holdings (Internet Services)

Market Cap: USD 213.5 Billion



- Tencent is one of the largest internet-related services providers in the world, covering instant messaging, social networking, email, web portals, e-commerce, advertising, online payment services and multiplayer games.
- Its offerings include mobile chat services QQ Instant Messenger and WeChat, which provides users with services that are similar to those of Facebook, Twitter, WhatsApp and Zynga. By the end of 2015, active QQ Instant Messenger users amounted to 853 million, while monthly active users of WeChat was at 697 million.
- Under the the strategic goal of providing users with "one-stop online lifestyle services", Tencent continues to expand its user base and add new functions such as a new Uber-like taxi finder that was used 21 million times in its first few weeks.

### PetroChina (Energy)

Market Cap: USD 190.3 Billion



- PetroChina is China's largest oil and gas producer and distributor. It is also one of the largest companies in the world by revenue. In addition to the exploration, development, production and transportation of crude oil and natural gas, the company engages in the development and production of petrochemical products such as ethylene.
- Placing a strong emphasis on the development of new energy, PetroChina continues to deepen its industrial testing and resource evaluation of bio-diesel, oil shale and oil sands, and conduct research on the utilisation of geothermal energy and water soluble gas.

### Largan Precision (Technology Hardware)

Market Cap: USD 12.3 Billion



- Largan Precision is one of the world's major players in plastic aspherical lens design and production in terms of technology and capacity. Its products are widely distributed globally and include lenses for mobile phones, digital cameras, notebooks, tablets and automobiles .
- The company is a key supplier of components to Apple and other high-end cell phone makers, and is set to benefit from the rapid rise of dual camera systems as image quality, optical zoom and image stabilisation become an increasingly important feature and selling point in the upgrade cycle.

### Uni-President Enterprises (Food & Beverage)

Market Cap: USD 11.2 Billion



- Uni-President Enterprises is an international food and beverage conglomerate based in Taiwan. It is the country's largest food production company as well as one of mainland China's largest instant-noodle and beverage suppliers.
- The company, which is also responsible for running Starbucks, 7-Eleven, Carrefour and Mister Donut in Taiwan, operates in several countries across the world including Indonesia, Thailand, Vietnam, the Philippines, Canada and the United States. It also owns the Uni-President Lions, a professional baseball team in the Chinese Professional Baseball League, Taiwan's top-tier baseball league.

## Gree Electric Appliances (Air-conditioning & Home Appliances)

Market Cap: USD 17.7 Billion



- Gree Electric Appliances is the world's largest air-conditioning manufacturer as well as a major appliance manufacturer in China, covering a wide range of products including electric fans, refrigerators, heaters, rice cookers, kettles and induction cookers.
- The company has 9 production bases around the world, 530 laboratories, 2 national R&D centres, and employs more than 70,000 people including 5,000 engineers.
- With a strong commitment towards providing global users with high-end and high quality products, and an average annual investment in technology research of over RMB 4 billion, its innovative capabilities enable it to maintain a leading market position through the launch of new products which are well received by consumers.

## Samsung Fire & Marine Insurance (Insurance)

Market Cap: USD 11.7 Billion



- Samsung Fire & Marine Insurance is a multinational non-life insurance company based in South Korea with offices in Europe, the United States, China, Japan, Indonesia and Vietnam.
- Its principal products include automobile, commercial, property, marine, aerospace and casualty insurance, as well as enterprise risk management and annuities.
- The company maintains a dominant market position backed by a strong balance sheet, and is well positioned to benefit from the ongoing deregulation of product development and pricing within the insurance industry in South Korea.

## Korea Electric Power Corporation (Utilities)

Market Cap: USD 33.7 Billion



- Korea Electric Power is a state-owned integrated electric utility in South Korea, responsible for the generation and distribution of electricity as well as the research and development of electric power projects including thermal, hydro, nuclear and wind.
- The largest in South Korea, it generates approximately 90% of the country's power.
- The company also operates in other countries with offices in North America, Europe, Southeast Asia, Africa and the Middle East. Projects range from supporting power generation in the Philippines and Saudi Arabia, construction and management of wind power in China, development and management of coal mines in Australia, as well as the restoration and follow-up work of powerplants in Nigeria.

## Inner Mongolia Yili Industrial Group (Dairy)

Market Cap: USD 15.2 Billion



- Inner Mongolia Yili Industrial Group is China's largest dairy producer.
- The group, whose products include fresh milk, powdered milk, ice cream, yoghurt and cheese, maintains world-class quality standards and has R&D centres in Europe as well as the United States.
- Annual revenue exceeded RMB 600 billion in 2015 and its market share is likely to grow further due to policy-driven industry consolidation among domestic peers. Meanwhile, completion of the second phase of its local production base in New Zealand is expected by April 2017, which will greatly enhance production capacity and likely contribute to a boost in sales growth.

## Kweichow Moutai (Food & Beverage)

Market Cap: USD 55.1 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 2016 through stronger volume growth.

**Disclaimer:** This document is issued by Premium China Funds Management for investors' reference only. The comments contained herein are expressions of belief only and should not be relied upon as authoritative or without the recipient's own independent verification or in substitution for the exercise of judgment by any recipient, and are subject to change without notice. Financial data herein are obtained from sources believed to be reliable. The performance of individual shares may not be representative of the performance of the fund as a whole.