

Premium Asia Fund

Top 10 Portfolio Holdings as at 31 December 2017

Samsung Electronics (Preference Shares) (Technology Hardware) Market Cap: USD 35.6 Billion



- Samsung Electronics manufactures a wide range of consumer and industrial electronic equipment and products, most notably their mobile Galaxy series. However prior to their entry in the mobile market, the company was a leading global technology and home-hardware company manufacturing semiconductors, personal computers, peripherals, monitors, televisions, and home appliances.
- Looking forward, Samsung aims to use its cash to fund growth including acquisitions and new developments, as creating further value for investors through stronger products remains the top priority for the company.

VTech (Technology Hardware) Market Cap: USD 3.3 Billion



- Vtech is the world's leading supplier of electronic learning products from infancy to preschool, as well as the largest global manufacturer of cordless phones. It also plays as one of the world's top providers of electronic manufacturing services.
- Founded and based in Hong Kong, the group currently has operations in 11 countries including Australia, China, Japan and India.
- With deployment of R&D centres in countries like the U.S. and Germany, along with high-end manufacturing facilities in China, Vtech has established a network which enables it to keep up with the latest technology and market trends, while maintaining a highly cost effective structure.

Alibaba Group (Internet Services) Market Cap: USD 441.6 Billion



- Alibaba is an e-commerce giant with an array of services from web portals connecting businesses and consumers, to 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. Meanwhile, its consumer-to-consumer portal Taobao, which works much like eBay, features nearly a billion products and is one of the 20 most-visited websites globally.
- Global brands such as Nike, Uniqlo and Burberry also use Alibaba's Tmall platform to reach out to an estimated 300 million shoppers. The company's online payment platform, Alipay, is larger than Paypal and accounts for roughly half of all online payment transactions within China.

Tencent (Internet Services) Market Cap: USD 493.7 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 Q2 2017, active QQ Instant Messenger users amounted to 850 million, while monthly active users of WeChat has grown to 963 million.
- In November 2017, Tencent's market value reached USD\$528 billion, shortly after surpassing Facebook to enter the world's top 5 most valuable companies.

Taiwan Semiconductor Manufacturing (Technology Hardware) Market Cap: USD 200.6 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.
- Being the exclusive supplier of the A11 chip, which is used to power the iPhone 8 and the iPhone X, 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.

V-ONE Tech (Technology Hardware)

Market Cap: USD 0.3 billion



- Established in 2006 and headquartered in South Korea, V-ONE Tech is specialised in manufacturing testing software and equipment used in the flat panel display manufacturing.
- It also offers industrial machine vision system, LCD pattern checker, and test equipment.
- Boding well for its 2017 sales growth, the company is to start supplying its rechargeable battery inspection equipment from 2018. As smartphone rechargeable batteries are starting to come in more diverse shapes, more inspection processes are required to ensure safety for the users. V-ONE Tech is believed to benefit from this uptrend demand, thus generating robust growth going forward.

Ping An Insurance (Insurance)

Market Cap: USD 194.1 Billion



- Established in 1988, Ping An Insurance Group is a leading provider of insurance services in China.
- It is also one of the first Chinese non-state-owned financial conglomerates, covering insurance, banking, securities, as well as trust and asset management services.
- Ping An's sustainable and stable development is supported by its robust business functions, clear growth strategy, effective disclosure mechanisms and comprehensive risk management system.

Galaxy Entertainment Group (Gaming)

Market Cap: USD 34.6 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 bank and expects to commence site construction works within 2018 after receiving government's approval.

Kweichow Moutai (Food & Beverage)

Market Cap: USD 134.7 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.

New China Life Insurance (Insurance)

Market Cap: USD 29.6 Billion



- New China Life Insurance is a provider of life insurance services and products and is China's third largest life insurance company in terms of premiums. It has an extensive nationwide bancassurance distribution network, offering a full range of products.
- The company has been undergoing business reforms since its IPO and has seen improvements in both margin and volume. Its customer centric strategy has been formulated to capture the demographic trends driven by China's urbanisation and ageing population.

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