

Premium Asia Property Fund

Top 10 Portfolio Holdings as at 31 January 2019

China Resources Land (Real Estate)

Market Cap: USD 26.9 Billion



- China Resources Land is a comprehensive real estate company with a presence in more than 50 cities across mainland China. The company has over 110 ongoing projects and a land bank exceeding 20 million square metres.
- It mainly, operates in the development, investment, management and sale of property; as well as hotel operations and decoration services.
- The company stands out with its best-in-class expertise and track record of building residential, shopping and office complexes in the urban cores of China's megacities.

Yuexiu Real Estate Investment Trust (REITs)

Market Cap: USD 2.2 Billion



- Yuexiu Real Estate Investment Trust focuses on offices, retail and other commercial properties that are able to provide considerable cash flows and returns.
- Its current portfolio consists of six high quality properties, all of which are located in Guangzhou's city centre. These include grade-A offices, multifunctional commercial offices, trade centres, malls, hotels and serviced apartments.
- The Management is highly qualified with extensive experience within a range of diverse industry areas such as real estate, securities and asset management. With the limited office supply, rising consumption growth and long-term property appreciation, it is likely that Yuexiu will benefit as it expands its operations.

CapitaLand Retail China Trust (REITs)

Market Cap: USD 1.1 Billion



- CapitaLand Retail China Trust invests in a portfolio of shopping malls located in mainland China. The malls within the portfolio are positioned as a one-stop family-oriented shopping, dining and entertainment destination. This portfolio is supported by a sizeable population in the area. As a result the company is set to benefit from China's consumption upgrade cycle.
- Tenants include global international and domestic retailers such as Wal-Mart, Carrefour, Nike, Sephora, Starbucks, UNIQLO and Zara, most of which are under master or long-term leases. This has allowed them to maintain a resilient portfolio with an occupancy rate of 97.7% (September 2018), further supporting the financial growth of the company into the future.

Fortune Real Estate Investment Trust (REITs)

Market Cap: USD 2.3 Billion



- Fortune Real Estate Investment Trust is Asia's first cross-border REIT.
- It currently holds a portfolio of 16 private retail housing estates in Hong Kong, comprising of 3.18 million square feet of retail space.
- Laguna Plaza, which was acquired by Fortune, has a committed occupancy rate of 96.7% and is expected to generate strong yields on its HKD1.6b purchase price.
- The group is currently undertaking asset enhancement initiatives on its properties, which will help add to long term organic growth.

China Merchants Shekou Industrial Zone (Real Estate)

Market Cap: USD 22.7 Billion



- China Merchants Shekou Industrial Zone, is a subsidiary of China Merchants Group, which is involved in real estate development and management. The company Focuses mainly on business park integration projects.
- The Shekou Industrial Zone is located in Shenzhen and is solely developed by the company, as well as being the first open industrial zone in the mainland China.
- Strategically deployed in Qianhai Bay, the company is set to benefit from China's focus on the development of free trade zones.

Link Real Estate Investment Trust (REITs)

Market Cap: USD 23.1 Billion



- Link REIT is the first real estate investment trust listed in Hong Kong, and currently Asia's largest REIT. It is also one of the world's largest retail focused REITs in terms of market capitalization.
- Despite retail market headwinds, average monthly gross sales of Link REIT's retail tenants in Hong Kong grew healthily, outperforming the market, given its focus on non-discretionary trades. Obtaining a rent-to-sales ratio of 12% in FY17 from FY16's 11.7% also supports indications of good reversionary growth prospects in the years ahead.

China Vanke (Real Estate)

Market Cap: USD 45.6 Billion



- China Vanke is China's largest residential property developer in terms of contract sales, with one of the most diversified land banks among its peers.
- The company has over 300 projects positioned in more than 60 cities across mainland China, and has recently ventured successfully into London, Singapore and the United States.
- Given its highly diversified land bank, seasoned management and strong brand management, China Vanke is well positioned to benefit from China's long-term secular growth in housing demand, supported by sustainable household income growth.

New World Development (Real Estate)

Market Cap: USD 16.0 Billion



- New World Developments was founded in 1970, providing a diverse range of product/services. It's core businesses include property development and infrastructure services, with a total asset value of HK\$468.1 billion as at 31 December 2017.
- In 2018 New World Development formed part of Forbes global 2000, ranking 585th on the list.
- Maintaining a strong strategic focus towards the 3P's within it's business ventures. They aim to strike a balance between both the companies as well as societies interests.

China Jinmao (Real Estate)

Market Cap: USD 5.8 Billion



- China Jinmao is a platform enterprise of the real estate and hotel sector of China Sinochem Group, one of the world's top 500 enterprises.
- Based on the vision of urban potential, China Jinmao integrates international leading quality resources and introduces rational urban planning concepts to achieve an overall improvement in regional functions and urban vitality.
- Since 2005, China Jinmao has been listed in "China's 500 Most Valuable Brands" for 14 consecutive years.

Shimao Property (Real Estate)

Market Cap: USD 9.3 Billion



- Shimao Property is one of China's largest property developers and investors, specialising in large-scale, high quality urban residential and commercial properties.
- The company has continued to improve over the past few years with strong double digit contract sales growth. At present, it has over 82 projects with a geographical coverage of 39 cities and regional centres including Shanghai, Beijing, the Yangtze River Delta, and the Bohai Bay area.
- Its strong balance sheet will enable it to expand its holdings and maintain strong momentum in sales growth going forward.

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