



The Asset China's Most Promising Companies 2009

2009年最具潛力中國企業

China's rapid economic expansion in the past decade has made it a magnet for global investors who are looking to cash in on the enormous opportunities that this market has to offer and are joining the bandwagon to ride the wave of its enormous growth potential. Similarly, Chinese stocks have started to attract worldwide attention as Chinese companies have burst into the international limelight.

The Asset magazine recognizes the potential of these Chinese companies and what they have to offer to global investors. No doubt, many of them have the makings of national champions or regional champions. They could even, one day, become global household brand names. Several have already made a mark through a series of headline acquisitions overseas. Others have grown organically as they rode on the back of China's burgeoning economy that made it the world's largest manufacturing centre.

In this regard, *The Asset* is launching a new set of recognitions to identify companies in China whose commendable leadership promises to catapult them into the league of world champions. This is based on their financial performance, their relative position in their industries, their business model, their growth prospects and their adherence to good corporate governance.

In June-July this year, we asked investment professionals and research analysts to help us select the most

promising companies in China from among the 300 Chinese companies that are mainly listed on the Hong Kong Exchange.

Their views were complemented by research conducted by the board of editors at *The Asset* in order to determine China's Most Promising Companies in 2009. They are divided into 20 industry groups.

The investment professionals and research analysts were asked to rank the companies on the basis of (a) earnings/profitability; (b) quality of management; (c) standards of corporate governance; (d) treatment of minority shareholders; and (e) effectiveness of investor relations.

While several of the companies have been negatively affected by the worst financial crisis that the world has witnessed since the Great Depression, they have nevertheless shown their resoluteness in overcoming the market difficulties through various means, such as cost control, maximizing cash flow and strengthening their core competencies in their industries.

We have included corporate governance in our selection process because this is one of the issues closest to the heart of investors. While Chinese companies have

made considerable strides in adopting good corporate governance practices, the jury is still out on whether such practices have now been internalized, especially within the senior management, and have become part of their ingrained corporate culture. ■

Industry Groups

Agriculture

Auto

Banking & finance

Basic materials

Building & construction

Conglomerates

Energy

Food & beverage

Industrials

Infrastructure

Insurance

Medical & healthcare

Mining & metals

Oil & gas

Power & utilities

Property & real estate

Retail

Technology

Telecom

Transport

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AGRICULTURE

- 1 China Agri-Industries Holdings
- 2 Sinofert Holdings
- 3 Chaoda Modern Agriculture (Holdings)

AUTO

- 1 Geely Automobile Holdings
- 2 Dongfeng Motor Group Company
- 3 Sinotruk (Hong Kong)

BANKING & FINANCE

- 1 ICBC
- 2 Bank of China
- 3 China Construction Bank

BASIC MATERIALS

- 1 Anhui Conch Cement Company
- 2 Nine Dragon Paper (Holdings)
- 3 Huabao International Holdings

BUILDING & CONSTRUCTION

- 1 China National Materials Company
- 2 China Communications Construction Company
- 3 China Railway Group

CONGLOMERATES

- 1 Beijing Enterprises
- 2 Fosun International
- 3 Guangdong Investment

ENERGY

- 1 Trina Solar
- 2 YingLi Green Energy Holdings Company
- 3 China WindPower Group

FOOD & BEVERAGES

- 1 Tingyi (Cayman Islands) Holdings Corporation
- 2 China Green (Holdings)
- 3 Dynasty Fine Wines Group

INDUSTRIALS

- 1 China High Speed Transmission Equipment Group Company
- 2 Shanghai Electric Group Company
- 3 Weichai Power Company

INFRASTRUCTURE

- 1 Shenzhen Expressway Company
- 2 China Merchants Holdings (International)
- 3 Tianjin Port Development Holdings

INSURANCE

- 1 Ping An Insurance (Group) Company of China
- 2 China Life Insurance Company
- 3 China Insurance International Holdings Company

MEDICAL & HEALTH CARE

- 1 Mindray Medical International
- 2 Guangzhou Pharmaceutical Company
- 3 China Pharmaceutical Group

MINING & METALS

- 1 Zijin Mining Group Company
- 2 China Molybdenum Company
- 3 Lingbao Gold Company

OIL & GAS

- 1 China Gas Holdings
- 2 Sinopec Kantons Holdings
- 3 China Oilfield Services

POWER & UTILITIES

- 1 Xin'ao Gas Holdings
- 2 China Power International Development
- 3 Datang International Power Generation Company

PROPERTY & REAL ESTATE

- 1 Shimao Property Holdings
- 2 Franshion Properties (China)
- 3 Shanghai Forte Land Company

RETAIL

- 1 Li Ning Company
- 2 Beijing Jingkelong Company
- 3 Golden Eagle Retail Group

TECHNOLOGY

- 1 Tencent Holdings
- 2 Alibaba.com
- 3 Digital China Holdings

TELECOM

- 1 China Telecom Corporation
- 2 China Mobile
- 3 China Communications Services Corporation

TRANSPORT

- 1 Air China
- 2 China Shipping Development Company
- 3 Beijing Capital International Airport Company