



**ALPHO**

**BRANDS OF THE TWENTIES  
ASIA**

*A study by Alphi*



ALPHO

# BRANDS OF THE TWENTIES

## ASIA

### DEAR BUSINESS PARTNERS,

Our ranking of Asian Companies of the Twenties is not only about how successful the companies have been in the previous years, but we have analysed them also to assess their prospects in their industries within the global economy in the current decade.

We not only observe the size of the companies and the related market capitalisation and liquidity of their securities but also consider the power of brands of these organisations and their products as well as the characteristics of the industry in which they operate.

Thirty years ago, the Asian economy was dominated by Japan, accompanied by the second wave of so-called Asian tigers. Today the situation is completely different. Among the twenty largest companies on the Asian continent, we find thirteen Chinese. But companies from other emerging economies are also entering the scene. Asia is thus inevitably turning into a global economic superpower.

The world economy was marked last year by a coronavirus pandemic. Although the world seems to have overcome the worst health crisis, it is probably halfway there economically. Although the economic recovery is under way, the coronavirus crisis is still very present. The supply chain disruption that occurred during 2020 is now reflected in a global shortage of virtually all key commodities. These are becoming more expensive, and so the world economy is facing the highest inflation rates in the last few decades.

But even in this case, everything bad is good for something. Many companies, even entire industries, saw the coronavirus crisis as an opportunity. This applies in particular to technology companies that have been able to take advantage of the growing demand for communication services, where much of the economic activity has moved to the online environment.

It is therefore not surprising that among the twenty most valuable Asian companies we find eight companies that operate in the information technology or supply important components to

Banks and companies providing payment and financial services are also relatively large. The top 20 also includes representatives of the automotive industry, mining of energy raw materials, food industry or heavy industry.

On the top of the ranking we find Saudi Aramco, a Saudi oil and gas company which is also dominating the renewable energy sector in recent years. But Saudi Aramco is an example of a company that has been hit relatively hard by the coronavirus pandemic. When the world almost stopped last spring, demand for oil and natural gas fell rapidly, which was reflected in a decline in the company's sales and profits. On the contrary, this year's economic recovery is bringing Saudi Aramco back to pre-pandemic levels.

This shows the fragility of companies that are betting too much that the world will remain as we knew it ten, twenty or thirty years ago. In contrast, companies with a diverse portfolio or responsiveness to changing market conditions have hardly felt the impact of the coronavirus crisis. It is obvious that such companies include technology or multidisciplinary companies such as Tencent Holdings, Alibaba Group, but also Samsung or the Indian group Tata Group, which operates in various industries from metallurgy, through car manufacturing to tourism or food.

In the future, Chinese companies can be expected to consolidate their position. However, companies from other countries, which are currently undergoing an economic boom, are most likely to start to rise. It is mainly India, which is currently the sixth largest economy in the world. In addition, India has enormous human potential. Not only because it is the second most populous country in the world, but also because of favorable age structure of the population and the ongoing reforms that are moving India towards the developed world.

Other countries in the region, such as Indonesia, Vietnam, Malaysia, Singapore and Thailand, will become increasingly important as well. Asia will thus definitively take over the role of global economic center from the United States and Europe.



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# TOP 20 ASIAN BRANDS 2021

Position	Company	Country	Industry	Market cap. as at 2 Dec 2021* (bn. USD**)
1.	Saudi Aramco	Saudi Arabia	Oil, gas, energy	1880
2.	TSMC (Taiwan Semiconductor Manufacturing Company)	Taiwan	Semiconductors, electronics	569.1
3.	Tencent	China	Investment, IT	567.6
4.	Samsung Electronics	South Korea	Technology, telecommunications	430.3
5.	Kweichow Moutai	China	Beverages, food	381.41
6.	Alibaba Group Holding	China	eCommerce, technology	328.5
7.	Toyota Motor Corp.	Japan	Automotive	297.9
8.	Tata Group	India	Automotive, fin. services, industry	295.1
9.	ICBC	China	Banking, fin. services	255.8
10.	Contemporary Amperex Technology Limited	China	Battery production, automotive	246.4
11.	China Merchants Bank	China	Banking, fin. services	202.5
12.	Meituan Dianping	China	IT, software	189.9
13.	China Construction Bank Corp.	China	Banking, fin. services	166.4
14.	Agricultural Bank of China	China	Banking, fin. services	157
15.	Bank of China	China	Banking, fin. services	150.8
16.	China Mobile	China	Telecommunications, IT	150.1
17.	Sea Limited	Singapore	Software, gaming, communications	144.8
18.	Ping An Insurance Company of China	China	Fin. services, banking, insurance	134.9
19.	Wuliangye Yibin	China	Beverages, food	134.4
20.	PT Bank Central Asia	Indonesia	Banking, fin. services	62.1

\*Source: <https://finance.yahoo.com>, 2 Dec 2021

\*\* Exchange rates as at 2 December 2021/ 1 SAR = 0,27 USD/ 1 TWD = 0,036 USD/ 1 HKD = 0,13 USD  
1 KRW = 0,00085 USD/ 1 CNY = 0,16 USD/ 1 JPY = 0,0088 USD/ 1 INR = 0,013 USD / 1 IDR = 0,000070 USD

# SAUDI ARAMCO

**1880**

bn USD

Market cap. (2nd Dec 2021)

أرامكو السعودية  
saudi aramco**229,8**

bn USD

Revenue (2020)

Mining and petrochemical giant Saudi Aramco is currently the world's second most valuable company after Apple and ahead of Amazon. Saudi Aramco felt the impact of the coronavirus pandemic hardly last year. Mainly due to rapidly falling oil and gas prices last spring, the company's total revenue fell by more than 30 percent, or \$ 100 billion. Net profit also fell sharply – it declined by 45 percent year on year in 2020.

**49,3**

bn USD

Net income (2020)

However, given current developments in the global energy commodity market and rising prices, Saudi Aramco can be expected to improve significantly in 2021. Its net profit in the first half of this year exceeded \$ 47 billion, and was almost at the same level as last year. In the third quarter alone, its net profit even jumped over \$ 30 billion, up 154 percent year on year. The company's shares have been in the range of 35 to 36 riyals for almost the entire year, with the exception of the two-month period since the beginning of September, when their price climbed to 38 riyals and then fell to their original level.

# TSMC

## TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY

**569,1**

bn USD

Market cap. (2nd Dec 2021)

**48,3**

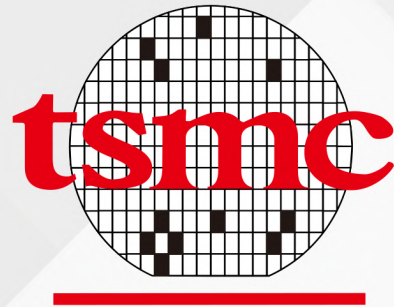
bn USD

Revenue (2020)

**18,7**

bn USD

Net income (2020)



Taiwan Semiconductor Manufacturing Company is Taiwan's largest company in terms of market capitalization. It was founded in 1987 and since its inception has focused on the production of semiconductor components for the electrical industry. Today, TSMC is the world's largest semiconductor chip manufacturer, and its importance has grown especially in the last year, when the chip famine is literally spreading around the world due to supply chain disruptions following the outbreak of a coronavirus pandemic. The automotive industry in particular suffers from a lack of chips, but also other industries whose products cannot do without chips.

Last year, TSMC managed to increase its turnover by a quarter year-on-year, and its net profit by half. The biggest "credit" for this goes to the growing demand for semiconductor chips around the world. After all, the results for the third quarter of this year predict that TSMC will continue to see growth in turnover and profit in 2021. However, it can be assumed that even after the coronavirus pandemic subsides, the hunger for TSMC products will not subside much. Due to the expected development of electromobility, but also information and communication technologies, the demand for electronic components will remain high.



# TENCENT HOLDINGS LIMITED

**567,6**

bn USD

Market cap. (2nd Dec 2021)

**75,6**

bn USD

Revenue (2020)

**25,1**

bn USD

Net income (2020)



Tencent Holdings Limited is a Chinese multinational holding company listed on the Hong Kong Stock Exchange, although headquartered in Shenzhen. It is also the most valuable Chinese company today. Tencent was founded in 1998. It deals with information technology, develops Internet services, software or artificial intelligence. It also owns social media such as Tencent QQ or WeChat. But it is also involved in the gaming industry.

The Tencent Group earned over \$ 25 billion last year with sales in excess of \$ 75 billion. However, the results for the first half of this year suggest that 2021 will be even more successful than last year. Tencent's half-year sales increased by 20 percent year-on-year, and net profit even by a third. The biggest driver was the fintech services sector, where turnover increased by almost half year-on-year.

However, financial successes have not yet been reflected in the value of Tencent shares this year. In the course of 2021, they have lost approximately one-fifth of their value. However, since the outbreak of coronavirus pandemics Tencent stocks risen by more than 20 percent Over the last five years, Tencent's share price has risen by less than 140 percent.

# SAMSUNG ELECTRONICS

**430,3**

bn USD

Market cap. (2nd Dec 2021)

**SAMSUNG****ELECTRONICS****200,6**

bn USD

Revenue (2020)

**22,4**

bn USD

Net income (2020)

Samsung Electronics is the largest South Korean company by market capitalization. The history dates back to 1938, when Samsung was established as a small trading company with 40 employees. The fundamental development of the company took place in the 1960s and 1970s, when the then government policy significantly supported the domestic industry, including electrical engineering. In the 1990s, Samsung crossed South Korea's borders, and the company's decisive boom brought the advent of mobile telecommunications technology. Today, Samsung is firmly anchored in the global market not only with smartphones. In the domestic economy, it also plays a leading role in the chemical, financial services, retail and entertainment industries.

Last year, Samsung managed to increase its sales relatively slightly, by only 2.7 percent year on year. But net income rose 22 percent to more than \$ 22 billion. The third quarter of this year meant a continuation of sales and profit growth for Samsung, with sales rising by a tenth year-on-year and operating profit by 26 percent. Samsung expects further expansion next year in view of the expected global economic recovery and growing demand for information technology. The company plans to focus on the development of smartphones and consumer electronics, and also wants to strengthen the position of its premium products. He also admits that 2022 will be accompanied by many uncertainties related to the ongoing coronavirus pandemic.

# KWEICHOW MOUTAI

**381,4**

bn USD

Market cap. (2nd Dec 2021)

**15,4**

bn USD

Revenue (2020)

Kweichow Moutai is a Chinese, partially publicly traded company, partially owned by the state. It was founded in 1999 and its primary focus is the production of alcoholic and soft drinks. In addition, it also produces food, packaging materials and packaging or develops technologies that can prevent counterfeiting or dissemination of products as originals. Kweichow Moutai is currently China's most valuable non-technology company.

Kweichow Moutai has managed to increase its turnover by 60 percent over the last four years, and its net profit even by almost 70 percent. For this year, the company expects revenue growth of less than eight percent. The company's shares have remained almost stable this year at around 2,000 CNY per share. Over the past five years, however, their value has increased by more than 480 percent.

**7,32**

bn USD

Net income (2020)

# ALIBABA GROUP HOLDING

**328,5**

bn USD

Market cap. (2nd Dec 2021)

**109,5**

bn USD

Revenue (2020)

**21,9**

bn USD

Net income (2020)



The Chinese company Alibaba was founded in 1999 by former English teacher Jack Ma. Ma was once proud of the richest man in China, who ranked fourth for this year, according to Forbes magazine. Today, Ma owns only seven percent of the shares in the Alibaba Group. The largest shareholder is SoftBank Group with a share of almost 30 percent.

Alibaba started out practically as an online store, but in the following years it began to grow and its business penetrated various industries, including, for example, financial and payment services or the media.

It can be said that the coronavirus pandemic has had a positive effect on the Alibaba Group's business. Its net profit in fiscal year 2021 (as of March 31, 2021) increased by only 2.1 percent year on year, but was almost 80 percent higher than in the pre-pandemic period. The company's turnover increased by 40 percent year-on-year in fiscal year 2021 and was even 91 percent higher than in 2019. Although the group is doing well, its shares have lost about half their value since the beginning of this year. Over the last five years, the decline has been 43 percent.

# TOYOTA MOTOR CORPORATION

**297,9**

bn USD

Market cap. (2nd Dec 2021)

**TOYOTA****239,8**

bn USD

Revenue (2020)

**20,1**

bn USD

Net income (2020)

Japanese carmaker Toyota Motor Corporation is the second largest vehicle manufacturer in the world. And behind the German Volkswagen Group and in front of another German carmaker Daimler. Toyota was founded in 1937 by Kichiro Tojoda. In addition to passenger cars, it also manufactures trucks and buses. Toyota is a leader in the development of alternative propulsion, especially in hybrid systems, and in recent years has also focused on the development of hydrogen fuel cells. Toyota also includes premium automobile brand – Lexus.

Toyota recorded nearly \$ 240 billion in sales and a net profit of just over \$ 20 billion in fiscal year 2021 (ending March 2021). Although it managed to increase its net profit by eight percent year-on-year, sales fell by less than nine percent. A coronavirus pandemic is to blame. As a result, the global automotive industry suffers from a shortage of semiconductor chips, which are an important part of every vehicle. So the problem is not on the demand side, there is enormous interest in cars in the world, because in the vast majority of the developed world, there has been virtually no decline in purchasing power of households. However, the first two quarters of fiscal year 2022 (April to September) do not indicate any improvement as the chip crisis persists.

# TATA GROUP

**295,1**

bn USD

Market cap. (2nd Dec 2021)

**103**

bn USD

Revenue (2020)

**2,6**

bn USD

Net income (2020)



The Indian Tata Group is known outside India mainly thanks to the company Tata Motors, which manufactures cars. In reality, however, vehicle production is not the main business of the entire group, which has a total of 17 subsidiaries that are traded on the stock exchange. Tata Motors is the third largest company within the group in terms of market capitalization. The most important is Tata Consultancy Services Limited.

The history of the Tata group dates back to the last third of the 19th century. It was founded in 1868 by Jamsetji Tata as a trading company. Over the years and decades, however, it began to penetrate other sectors, including the textile industry, agriculture, but later also metallurgy, energy or tourism. Later, companies from the chemical industry, telecommunications, financial services and, last but not least, the automotive industry were added to the group's portfolio.

The Tata group was relatively severely affected by coronavirus. In the fiscal year ending March 2021, its turnover fell by more than a fifth year-on-year, as did profit.

# ICBC

## INDUSTRIAL AND COMMERCIAL BANK OF CHINA

**255,8**

bn USD

Market cap. (2nd Dec 2021)

**125,5**

bn USD

Revenue (2020)

**49,8**

bn USD

Net income (2020)



The Industrial and Commercial Bank of China was established in 1984 as a state bank. Its task was to finance the development of the Chinese economy, especially its industrial part. It later began to change into a standard commercial bank, and in 2006 part of it was listed on the Shanghai Stock Exchange and also in Hong Kong. It is currently one of the largest banking houses in the world. It serves around 680 million households and 8.6 million companies.

The coronavirus pandemic has had virtually no effect on the bank's finances. In 2020, it managed to increase its income from financial operations and net profit year-on-year, albeit by only percentage units. The course of this year so far indicates that there will be a slightly more significant improvement compared to last year. In the first nine months of 2021, the bank managed to increase revenues from financial operations by more than seven percent, and net profit even by more than ten percent. Nevertheless, ICBC shares have fallen 7.5 percent so far this year.

# CONTEMPORARY AMPEREX TECHNOLOGY LIMITED (CATL)

**246,4**

bn USD

Market cap. (2nd Dec 2021)

**CATL****7,9**

bn USD

Revenue (2020)

Contemporary Amperex Technology Limited (CATL) is a relatively young Chinese company that was founded in 2011. Its main activity is the production of batteries for the automotive industry, the production of electricity storage systems, but also battery recycling systems. The company was founded by Chinese billionaire Robin Zeng, who is still the company's CEO. According to Forbes magazine, Zeng is currently the third richest Chinese and ranks 52nd in the world's billionaires. Its net worth is estimated at \$ 59.2 billion.

**0,9**

bn USD

Net income (2020)

In 2017, Contemporary Amperex Technology Limited entered the Shenzhen Stock Exchange. The coronavirus pandemic did not have a negative effect on her business. Its turnover last year rose by a tenth and net profit even by more than 22 percent. CATL shares have strengthened almost two-thirds since the beginning of this year. They are even 151 percent stronger year-on-year.





# CONTACT

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