



NEWS RELEASE

16 July 2018

**CESC Launches CES SCHK Pan-Entertainment and Leisure Index,
CES REIT Index and CES SCHK High Yield Low Volatility Index**

China Exchanges Services Company Limited (CESC) today (Monday) announced three new indices: CES SCHK Pan-Entertainment and Leisure Index (CES SCHK E&L), CES REIT Index (CES REIT), and CES SCHK High Yield Low Volatility Index (CES SCHK HYLTV).

CES SCHK E&L — the index aims to capture the performance of the 30 leading Hong Kong-listed entertainment companies eligible for Southbound Trading under Stock Connect*.

CES REIT — the index represents the overall performance of Hong Kong-listed Real Estate Investment Trusts (REITs).

CES SCHK HYLTV — the index uses forecast dividend yield as an indicator to track the performance of up to 40 Hong Kong-listed stocks eligible for Southbound Trading under Stock Connect with high yield and low volatility.

“The three new CESC indices aim to cater for the latest market developments and meet the needs of asset management product issuers. We believe the new indices can provide more diversified investment options for the market. In future, we will continue to work closely with our business partners to develop more innovative indices and products,” said CESC Chief Executive Mao Zhirong.

For more information about CESC’s new indices, please refer to Appendix 1 to 6 or visit the [CESC website](#).

* Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

About CESC

CESC is a joint venture formed and equally owned by Hong Kong Exchanges and Clearing Limited, the Shanghai Stock Exchange and the Shenzhen Stock Exchange. Its aim is to contribute to the development of China's capital markets. Registered and incorporated in Hong Kong, CESC was officially launched in September 2012 and commenced operations on 30 October. CESC's principal businesses include compiling cross-border indices based on products traded on the Hong Kong and Mainland securities markets, developing industry classifications for listed companies, and developing information standards and information products. CESC also develops financial products to link the Mainland and Hong Kong markets with global investors. China Securities Index Company Limited is commissioned to calculate, provide index maintenance and dissemination service for the CES indices.

For further information on CESC, please visit the website at www.cesc.com.

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Appendix 1

Overview of CES SCHK Pan-Entertainment and Leisure Index

Index Abbreviation	CES SCHK E&L
Constituents	Hong Kong-listed stocks eligible for Southbound Trading under Stock Connect with the highest average daily market capitalization in the past 12 months
Launch Date	16 July 2018
Base Date	30 December 2011
Base Value	2,000
Maximum number of stocks	30
Calculation Methodology	<ul style="list-style-type: none">• Free float-adjusted market capitalization weighted• Each component's weight is capped at 10%
Review Frequency	Half-yearly
End of Day Index (Currency)	HKD
Calculation and Dissemination	Once a day, after the close of trading

Appendix 2

CES SCHK Pan-Entertainment and Leisure Index's Top 10 Constituents and Weightings (Pro forma and subject to final announcement)

(as at 13 July 2018)

Stock Code	Stock Name	Weighting (%)
0027.HK	GALAXY ENT	10.52
0700.HK	TENCENT	10.24
1928.HK	SANDS CHINA LTD	10.17
2020.HK	ANTA SPORTS	10.04
1128.HK	WYNN MACAU	8.28
0772.HK	CHINA LIT	5.98
3888.HK	KINGSOFT	5.28
0880.HK	SJM HOLDINGS	4.76
2282.HK	MGM CHINA	4.26
1357.HK	MEITU	4.21

Appendix 3

Overview of CES REIT Index

Index Abbreviation	CES REIT
Constituents	All REITs primarily listed in Hong Kong excluding those that have reported bankruptcy or announced their delisting
Launch Date	16 July 2018
Base Date	30 December 2011
Base Value	2,000
Maximum number of stocks	30
Calculation Methodology	<ul style="list-style-type: none">• Free float-adjusted market capitalization weighted• Individual constituent weight is capped at a level determined by the number of constituents
Review Frequency	Half-yearly
End of Day Index (Currency)	HKD
Calculation and Dissemination	Once a day, after the close of trading

Appendix 4

CES REIT Index's Constituents and Weightings (Pro forma and subject to final announcement)

(as at 13 July 2018)

Stock Code	Stock Name	Weighting (%)
0823.HK	LINK REIT	15.92
0778.HK	FORTUNE REIT	15.25
7001.HK	HUI XIAN REIT	14.91
0405.HK	YUEXIU REIT	14.73
2778.HK	CHAMPION REIT	14.43
0435.HK	SUNLIGHT REIT	8.44
0808.HK	PROSPERITY REIT	6.47
1426.HK	SPRING REIT	4.01
1881.HK	REGAL REIT	3.09
1275.HK	NEW CENT REIT	2.76

Appendix 5

Overview of CES SCHK High Yield Low Volatility Index

Index Abbreviation	CES SCHK HYLV
Constituents	Hong Kong-listed stocks eligible for Southbound Trading under Hong Kong Connect with a listing history of more than 3 months and an average price of more than \$1 in the past 12 months
Launch Date	16 July 2018
Base Date	30 December 2011
Base Value	2,000
Maximum number of stocks	40
Calculation Methodology	<ul style="list-style-type: none">• Dividend yield weighted• Each component's weight is capped at 10%
Review Frequency	Half-yearly
End of Day Index (Currency)	HKD
Calculation and Dissemination	Once a day, after the close of trading

Appendix 6

CES SCHK High Yield Low Volatility Index's Top 10 Constituents and Weightings (Pro forma and subject to final announcement)

(as at 13 July 2018)

Stock Code	Stock Name	Weighting (%)
1848.HK	CALC	5.16
0008.HK	PCCW	3.67
0511.HK	TVB	3.44
0006.HK	POWER ASSETS	3.34
0548.HK	SHENZHENEXPRESS	3.33
0005.HK	HSBC HOLDINGS	3.23
3328.HK	BANKCOMM	3.23
0992.HK	LENOVO GROUP	3.21
0737.HK	HOPEWELL INFR	3.20
0315.HK	SMARTONE TELE	3.17