
NEWS RELEASE

28 December 2018

**CESC Launches CES SCHK Value Index,
CES SCHK Moat Index and CES SCA Industry Top Index**

China Exchanges Services Company Limited (CESC) today (Friday) announced three new indices: CES SCHK Value Index (CES SCHK Value), CES SCHK Moat Index (CES SCHK Moat) and CES SCA Industry Top Index (CES SCA Industry Top).

CES SCHK Value is designed to track the performance of low valuation stocks eligible for Southbound Trading under Stock Connect. CESC uses forecast price-to-earnings ratio as an indicator.

CES SCHK Moat represents the performance of stocks of companies that are eligible for Southbound trading under Stock Connect and have a competitive advantage over other companies that protects their profits and market share over the long term like a moat.

CES SCA Industry Top includes 50 stocks eligible for Northbound Trading under Stock Connect. Each constituent is the most representative leader from its industry group in the A-share market.

“Our three new indices are distinctive and approach H shares and A shares from different angles to meet the needs of investors with different objectives,” said CESC Chief Executive Mao Zhirong. “In the new year, we will offer more innovative indices and products in response to market demand.”

For more information about CESC’s new indices, please refer to Appendix 1 to 6 or visit the [CESC website](http://www.cesc.com).

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 Value Index

Index Abbreviation	CES SCHK Value
Constituents	40 HK-listed companies which are eligible for Southbound Trading under Stock Connect and exhibit low forecast price-to-earnings ratio
Launch Date	28 December 2018
Base Date	30 December 2011
Base Value	2,000
Maximum number of stocks	40
Calculation Methodology	Equal weighted
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 Value Index's Top 10 Constituents and Weightings

(as at 27 December 2018)

Stock Code	Stock Name	Weighting (%)
1233.HK	TIMES CHINA HOLDINGS LTD	2.80
0813.HK	SHIMAO PROPERTY HOLDINGS LTD	2.70
3380.HK	LOGAN PROPERTY HOLDINGS CO LTD	2.69
0489.HK	DONGFENG MOTOR GROUP CO LTD	2.66
0884.HK	CIFI HOLDINGS GROUP CO LTD	2.65
3988.HK	BANK OF CHINA LTD	2.63
1030.HK	FUTURE LAND DEVELOPMENT HOLDINGS LTD	2.59
1966.HK	CHINA SCE GROUP HOLDINGS LTD	2.59
3883.HK	CHINA AOYUAN GROUP LTD	2.58
1238.HK	POWERLONG REAL ESTATE HOLDINGS LTD	2.57

Appendix 3

Overview of CES SCHK Moat Index

Index Abbreviation	CES SCHK Moat
Constituents	40 HK-listed companies which are eligible for Southbound Trading under Stock Connect and possess a wide economic moat
Launch Date	28 December 2018
Base Date	30 December 2011
Base Value	2,000
Maximum number of stocks	40
Calculation Methodology	<ul style="list-style-type: none">• Free float-adjusted market cap. weighted• Each constituent's weight is capped at 5%
Review Frequency	Yearly
End of Day Index (Currency)	HKD
Calculation and Dissemination	Once a day, after the close of trading

Appendix 4

CES SCHK Moat Index's Top 10 Constituents and Weightings

(as at 27 December 2018)

Stock Code	Stock Name	Weighting (%)
2313.HK	SHENZHOU INTERNATIONAL GROUP HOLDINGS LTD	6.79
0388.HK	HONG KONG EXCHANGES AND CLEARING LTD	6.53
0669.HK	TECHTRONIC INDUSTRIES CO LTD	6.22
0700.HK	TENCET HOLDINGS LTD	5.55
1928.HK	SANDS CHINA LTD	5.46
0027.HK	GALAXY ENTERTAINMENT GROUP LTD	5.33
2020.HK	ANTA SPORTS PRODUCTS LTD	4.95
0966.HK	CHINA TAIPING INSURANCE HOLDINGS CO LTD	4.79
0175.HK	GEELY AUTOMOBILE HOLDINGS LTD	4.28
1128.HK	WYNN MACAU LTD	3.34

Appendix 5

Overview of CES SCA Industry Top Index

Index Abbreviation	CES SCA Industry Top
Constituents	The biggest SSE or SZSE-listed companies from the 50 largest sub-industries, which are eligible for Northbound Trading under Stock Connect
Launch Date	28 December 2018
Base Date	30 December 2011
Base Value	2,000
Maximum number of stocks	50
Calculation Methodology	<ul style="list-style-type: none">• Free float-adjusted market cap. weighted• Each constituent's weight is capped at 10%
Review Frequency	Half-yearly
End of Day Index (Currency)	CNY
Calculation and Dissemination	Once a day, after the close of trading

Appendix 6

CES SCA Industry Top Index's Top 10 Constituents and Weightings

(as at 27 Dec 2018)

Stock Code	Stock Name	Weighting (%)
600519.SH	KWEICHOW MOUTAI	9.53
601318.SH	PING AN OF CHINA	9.52
000333.SZ	MIDEA GROUP	5.78
600887.SH	YILI	4.55
600030.SH	CITIC SECURITIES	4.25
601668.SH	CHINA STATE CONSTRUCTION ENGINEERING CORP	3.90
000002.SZ	CHINA VANKE - A	3.84
601398.SH	ICBC	3.84
600276.SH	HENGRUI MEDICINE	3.83
600900.SH	CHINA YANGTZE POWER	3.47