
News Release

24 May 2019

CESC Launches CES Foreign A-Shares Choice Index and CES SCHK Growth Index

China Exchanges Services Company Limited (CESC) today (Friday) is pleased to announce the launch of two new indices: CES Foreign A-Shares Choice Index (CES Foreign A-Shares) and CES SCHK Growth Index (CES SCHK Growth).

CES Foreign A-Shares Index tracks the performance of the top 50 A-share companies by market capitalisation of foreign shareholding under Stock Connect, offering investors an additional choice of exposure to the A-share market. The constituents are A shares that are heavily exposed to foreign investors, who value fundamentals, such as long-term growth, high growth rates, company quality, and leadership in respective industries, while the constituents' weightings in the index are based on the market value of foreign holdings.

CES SCHK Growth Index tracks the 40 best-performing stocks under Stock Connect's Southbound trading that have high growth potential. Previous and expected sales and net profit growth, the key factors that drive business growth, are taken into account when selecting constituents. CES SCHK Growth Index complements the CES SCHK Value Index and enhances CESC's series of strategic indices.

"These are two unique indices that reflect the A-share and Hong Kong stock markets from different perspectives, addressing different needs of investors," said CESC Chief Executive Mao Zhirong.

"The CES Foreign A-Shares Index will be increasingly important as foreign shareholding of A shares rises over time and foreign investors play a more important role in the A-share market. On the other hand, CES SCHK Growth Index enables investors to capture investment opportunities presented by Hong Kong stocks with high growth potential, as well as the development of products that are linked to the index."

For an overview of the indices and their lists of constituents, please refer to Appendix 1 to Appendix 4.

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 Foreign A-Shares Choice Index

Index Abbreviation	CES Foreign A-Shares
Constituents	Top 50 A-share companies by market capitalisation of foreign shareholding under Stock Connect
Launch Date	24 May 2019
Base Date	30 June 2017
Base Value	2,000
Maximum number of stocks	50
Calculation Methodology	<ul style="list-style-type: none">• Foreign shareholding's market capitalisation weighted• Each constituent's weight is capped at 10 per cent
Review Frequency	Half-yearly
End of Day Index (Currency)	CNY
Calculation and Dissemination	Once a day, after the close of trading

Appendix 2

CES Foreign A-Shares Choice Index's Top 10 Constituents and Weightings

(as at 23 May 2019)

Stock Code	Stock Name	Weighting (%)
600519	KWEICHOW MOUTAI CO LTD	11.91
601318	PING AN INSURANCE GROUP CO OF CHINA LTD	9.03
000333	MIDEA GROUP CO LTD	8.04
600276	JIANGSU HENGRUI MEDICINE CO LTD	6.26
000858	WULIANGYE YIBIN CO LTD	5.88
600887	INNER MONGOLIA YILI INDUSTRIAL GROUP CO LTD	4.89
000651	GREE ELECTRIC APPLIANCES INC OF ZHUHAI	4.60
600009	SHANGHAI INTERNATIONAL AIRPORT CO LTD	3.72
002415	HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO LTD	3.58
600036	CHINA MERCHANTS BANK CO LTD	3.44

Overview of CES SCHK Growth Index

Index Abbreviation	CES SCHK Growth
Constituents	Stocks listed on the Main Board of SEHK; eligible for Southbound and with high growth potential; using historical and forecast sales growth and net income growth as indicators.
Launch Date	24 May 2019
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 4

CES SCHK Growth Index's Top 10 Constituents and Weightings

(as at 23 May 2019)

Stock Code	Stock Name	Weighting (%)
01233	TIMES CHINA HOLDINGS LTD	3.96
03883	CHINA AOYUAN GROUP LTD	3.87
02669	CHINA OVERSEAS PROPERTY HOLDINGS LTD	3.53
01030	FUTURE LAND DEVELOPMENT HOLDINGS LTD	3.51
01717	AUSNUTRIA DAIRY CORP LTD	3.32
02269	WUXI BIOLOGICS CAYMAN INC	3.05
01548	GENSCRIPT BIOTECH CORP	3.04
01177	SINO BIOPHARMACEUTICAL LTD	2.98
02020	ANTA SPORTS PRODUCTS LTD	2.94
01530	3SBIO INC	2.82