

CSI MarketGrader China New Economy Index

The CSI MarketGrader China New Economy Index seeks to follow the most fundamentally sound companies with the best growth prospects in the Consumer Discretionary, Consumer Staples, Health Care, and Technology sectors that are domiciled and listed in Mainland China. CSI and MarketGrader have specifically chosen these four sectors as those with the best prospects for growth and the creation of shareholder value in China's equity market as the country's economic leadership continues to transition to consumption, services and high-tech and away from mostly fixed investments, heavy industry and natural resource development. The index seeks to identify the companies in China with the best growth at a reasonable price (GARP) attributes as the best drivers of long-term capital appreciation. Since the index is equally weighted, it gives each company an equal opportunity to contribute to its overall performance regardless of size or affiliation with the state.

Index Rules

Underlying Universe

All A shares listed in the Shanghai and Shenzhen Stock Exchanges that are covered and rated by MarketGrader, that are not "ST" stocks, and are classified as Consumer Discretionary, Consumer Staples, Health Care and Technology.

Objective

Designed to serve as the basis of investment funds providing access to investors to some of the most promising stocks in China.

Weighting

The index is equally weighted.

Rebalance Frequency

The index is reconstituted and rebalanced twice a year on the next trading day after the close of trading on the second Friday in June and December.

Selection Criteria

All index components are selected based on their overall MarketGrader Grade. Built on a scale between 0 and 100, our Overall Grade is based on our 24 fundamental indicators, which are broken down into four analytical categories: Growth, Value, Profitability and Cash Flow. All of our indicators and our overall grades are calculated daily for all companies under coverage.

Market Cap Requirements

All index constituents must have a minimum total market cap of RMB 1.4 billion. At least 20% of all index constituents (24 companies) must be designated as large or mid caps according to MarketGrader's annual size classification of all Shanghai and Shenzhen-listed equities under coverage.

Liquidity Requirements

A minimum 3-month daily traded value of RMB 14 million and at least RMB 350 million in aggregate trading volume in the trailing 12 months preceding the index selection date.

Licensing opportunities

licensing@marketgrader.com

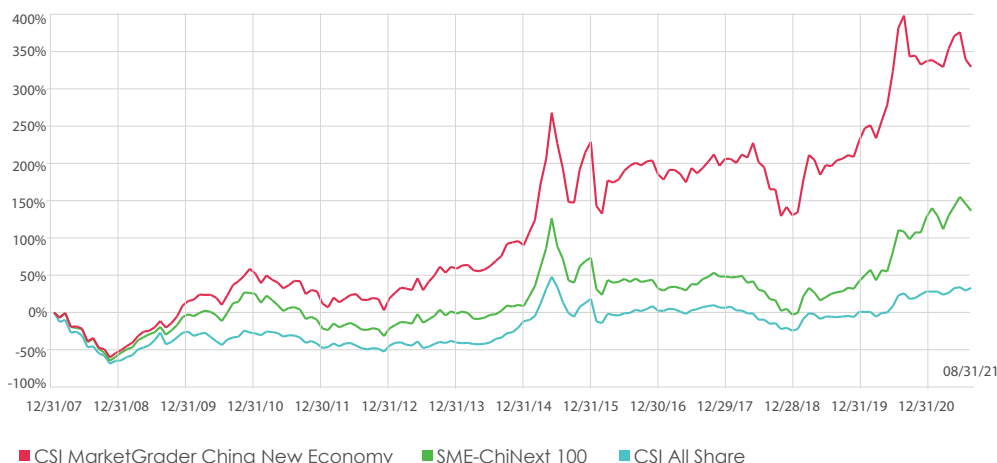
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Performance

Cumulative Total Return, Dec 2007 - Aug 2021

All data as of August 31, 2021



Calendar Year Returns (%)

	CSI MG NE	SME ChiNext	ChiNext	CSI All Share
2021*	-1.8	3.7	8.7	3.8
2020	32.1	60.4	66.0	26.9
2019	43.5	46.3	44.8	33.4
2018	-24.7	-34.5	-28.2	-28.8
2017	7.3	12.2	-10.1	3.7
2016	-13.3	-23.8	-27.4	-13.3
2015	73.0	59.7	84.8	33.8
2014	19.8	10.4	13.4	48.4
2013	33.2	24.9	83.9	7.1
2012	6.5	0.3	-1.2	6.2
2011	-26.4	-37.0	-35.5	-27.3
2010	31.9	27.9	-	-3.0
2009	133.3	112.0	-	108.1
2008	-50.6	-54.0	-	-64.3

All values in RMB. *YTD Values as of 08/31/21.
Sources: CSI, FactSet, MarketGrader.com

Annualized Returns (%)

	CSI MG NE	SME ChiNext	ChiNext	CSI All Share
3-Years	17.4	26.1	31.6	16.3
5 -Years	7.4	10.2	8.6	5.1
Since 12/31/07	11.3	6.5	-	2.1

Cumulative Returns (%)

	CSI MG NE	SME ChiNext	ChiNext	CSI All Share
3-Years	62.0	100.5	127.7	57.1
5 -Years	43.0	62.5	51.0	28.4
Since 12/31/07	329.0	136.4	-	33.0

Standard Deviation (%)

	CSI MG NE	SME ChiNext	ChiNext	CSI All Share
3-Years	22.9	26.3	27.6	18.6
5 -Years	19.7	22.4	24.0	16.3
Since 12/31/07	27.9	29.6	-	27.5

Sharpe Ratio

	CSI MG NE	SME ChiNext	ChiNext	CSI All Share
3-Years	0.76	0.99	1.14	0.87
5 -Years	0.37	0.46	0.36	0.31
Since 12/31/07	0.40	0.22	-	0.08

All values in RMB. Frequency: Monthly.
Sources: CSI, FactSet, MarketGrader.com

Sources: MarketGrader Research, China Securities Index Co., FactSet.

* The CSI MarketGrader China New Economy 120 Index was first published on March 20, 2015. Backtested performance information is purely hypothetical and is solely for informational purposes. Backtested performance does not represent actual performance, and should not be interpreted as an indication of actual performance. Past performance is not indicative of future results. CSI is a registered trademark of China Securities Index Co. MarketGrader.com © 2021.

CSI MarketGrader China New Economy Index

Index composition data as of August 31, 2021 - All currency values in RMB.

Index Bio

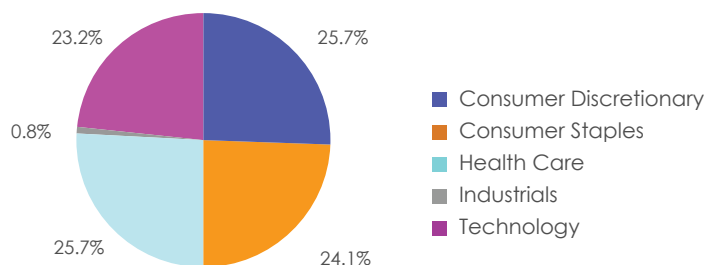
Average Market Cap	RMB 42,047
Median Market Cap	RMB 13,813
Average 3 Mo. RMB Volume	RMB 539,534,079
Average 3 Mo. Trading Volume	15,667,469
Last Rebalance Date	6/14/21
Companies Replaced	43

Fundamental Attributes

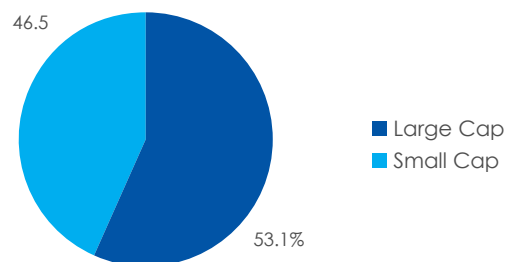
Median

Trailing P/E Ratio	20.5
Forward P/E Ratio	20.5
Earnings Yield	4.1%
Price/Book Ratio	4.0
Revenue Change - 3 Years	77.7%
Operating Income Change - 3 Years	154.4%
Operating Margin	18.8%
Earnings per Share (EPS) 3-Year Growth	34.1%
Long-Term Debt to Capital	13.8%
Return on Equity	20.7%
Dividend Yield	1.20%

Sector Breakdown (based on constituent count)



Market Cap Breakdown (based on constituent count)



Top 20 Stocks by Fundamentals

Ticker	Name	Grade
002382.CN	Blue Sail Medical Co., Ltd. Class A	● 90.5
603198.CN	Anhui Yingjia Distillery Co., Ltd.	● 87.0
603444.CN	G-Bits Network Technology (Xia-	● 86.2
300122.CN	Chongqing Zhifei Biological Prod-	● 86.0
002030.CN	Da An Gene Co., Ltd. of Sun Yat-	● 82.9
002124.CN	Tech-bank Food Co., Ltd.	● 81.9
002154.CN	Baoxiniao Holding Co Ltd Class A	● 81.9
000661.CN	Changchun High & New Technolo-	● 81.7
000799.CN	Jiugui Liquor Co., Ltd. Class A	● 81.5
002777.CN	Sichuan Jiuyuan Yin Hai Software	● 80.9
002832.CN	BIEM.L.FDLKK Garment Co., Ltd.	● 80.2
300573.CN	Shenyang Xingqi Pharmaceutical	● 80.0
603369.CN	Jiangsu King's Luck Brewery Joint-	● 78.8
002605.CN	Shanghai Yaoji Technology Co.,	● 77.8
600132.CN	Chongqing Brewery Co.Ltd Class A	● 77.8
002022.CN	Shanghai Kehua Bio-Engineering	● 77.4
300146.CN	By-health Co., Ltd. Class A	● 77.3
603886.CN	Ganso Co., Ltd. Class A	● 77.2
300003.CN	Lepu Medical Technology (Beijing)	● 77.1
600887.CN	Inner Mongolia Yili Industrial Group	● 77.0

Most Selections Since Inception

Ticker	Name	Times
000568.CN	Luzhou Laojiao Company Limited	26
000858.CN	Wuliangye Yibin Co., Ltd. Class A	26
600809.CN	Shanxi Xinghuacun Fen Wine Fac-	23
000848.CN	He Bei Cheng de Lolo Co. Ltd.	20
002032.CN	Zhejiang Supor Co., Ltd. Class A	19
600887.CN	Inner Mongolia Yili Industrial Group	19
600298.CN	Angel Yeast Co., Ltd. Class A	18
002001.CN	Zhejiang NHU Co. Ltd. Class A	18
002022.CN	Shanghai Kehua Bio-Engineering	16
000661.CN	Changchun High & New Technolo-	15
603288.CN	Foshan Haitian Flavouring & Food	15
002507.CN	Chongqing Fuling Zhacai Group	14
002508.CN	Hangzhou Robam Appliances Co.,	13
002154.CN	Baoxiniao Holding Co Ltd Class A	13
600779.CN	Sichuan Swellfun Co., Ltd. Class A	13
300146.CN	By-health Co., Ltd. Class A	12
000799.CN	Jiugui Liquor Co., Ltd. Class A	12
000915.CN	Shandong Wit Dyne Health Co.,	12
000650.CN	Renhe Pharmacy Co., Ltd. Class A	11
002557.CN	Chacha Food Co Ltd. Class A	11