

Methodology of SSE STAR Medical Treatment Index

SSE STAR Medical Treatment Index selects 30 securities of listed companies with the largest market capitalization engaged in medical equipment, medical service and medical information technology fields as constituents. The index aims to measure the performance of the representative companies in the medical treatment industry of STAR market.

1. Index Name and Index Code

- Index Name: SSE STAR Medical Treatment Index
- Shortened Name: STAR Medical Treatment
- Index Code: 950255

2. Base Date and Base Value

The base date is December 30, 2022. The base value is 1000.

3. Index Eligibility

3.1 Index Universe

The index universe includes stocks and CDRs issued by red-chip enterprises listed on SSE Science and Technology Innovation Board satisfying the following conditions.

(1) The listing time is more than six months. For securities with the daily average total market value since its initial listing ranked top 5 on SSE Science and Technology Innovation Board, the listing time is more than three months.

(2) Non -*ST securities.

3.2 Eligible Securities

Securities ranked in the top 90% in the index universe in terms of average daily trading value over the past year in descending order are eligible for inclusion.

3.3 Constituents Selection

(1) For the eligible securities, the securities engaged in medical equipment, medical service and medical information technology fields are selected as the candidates;

(2) Rank the candidate securities by the average daily capitalization over the past year in descending order, select top 30 candidate securities as index constituents. If the number of candidate securities is less than 30, all candidate securities are selected as index constituents.

4. Index Calculations

The index is calculated according to the following formula:

Current Index = Current Total Adjusted Market-Cap / Divisor × Base Value

Where Current Total Adjusted Market-Cap = \sum (Security Price × Number of Free Float Adjusted Shares × Weight Factor)

For the calculation of number of free float adjusted shares, please refer to CSI Index Calculation and Maintenance Methodology for further details. The value of Weight Factor is between 0 and 1, which is calculated at each rebalancing date, so that the weight of constituent is capped at 10%.

5. Constituents and Index Weights

5.1 Constituent's Periodical Review

The index is adjusted and rebalanced quarterly and the adjustment will be effective as of the next trading day after the 2nd Friday of March, June, September and December.

Weight Factor is assigned to each constituent at each rebalancing date. The effective date is the same as that of the constituent adjustment. The Weight Factor stays the same until next rebalancing date.

5.2 Ongoing Review

When special events occur, CSI will review the index accordingly. Delisted securities will be deleted from the constituents. Please refer to Index Calculation and Maintenance Methodology for further details.