

FOR IMMEDIATE RELEASE



**Global Debut**  
**W.I.S.E. – Nasdaq Overseas China New Economy Companies Top 50 Index Tracker**  
**Commence Trading on The SEHK**

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**A ETF Capturing the New Drivers of the China Economy**

**Highlights**

- It is the first ETF to track the performance of the Nasdaq Overseas China New Economy Companies Top 50 Index<sup>SM</sup> (the “Underlying Index”) in global market.
- The Underlying Index is designed to capture the new drivers of the China Economy by investing into growth-related sectors.
- The Underlying Index includes the largest 50 companies from China (excluding A Shares) that are classified as Consumer Goods, Health Care, Consumer Services or Technology according to the Industry Classification Benchmark (ICB) which is a globally recognized standard for company classification.

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(Hong Kong – 12 September 2018) **W.I.S.E. – Nasdaq Overseas China New Economy Companies Top 50 Index Tracker** (the “Fund”), an exchange traded fund (“ETF”) of **BOCI-Prudential Asset Management Limited** (“**BOCI-Prudential Asset Management**”) has commenced trading on the Stock Exchange of Hong Kong Limited (“SEHK”) today. The stock code is “**03182**”.

The Fund is an index-tracking exchange traded fund which seeks to track the performance of the Nasdaq Overseas China New Economy Companies Top 50 Index<sup>SM</sup> (the “Underlying Index”).

The Underlying Index is a diversified index consisting of 50 constituent securities listed on the Nasdaq, The New York Stock Exchange (NYSE) or NYSE American, or be a component of the Nasdaq Global Index (NQGI) and listed on The Stock Exchange of Hong Kong Limited (“SEHK”), including but not limited to equity securities trading in the U.S. through American Depositary Receipts (“ADRs”). The Underlying Index is a modified market capitalization weighted index which is designed to capture the new drivers of the China Economy by investing into growth-related sectors. It includes the largest 50 companies from China (excluding A shares) that are classified as Consumer Goods, Health Care, Consumer Services or Technology according to the Industry Classification Benchmark (ICB) which is a globally recognized standard for company classification.

**Mr. Samuel Mui, Vice President, Quantitative Strategy Business Unit, BOCI-Prudential Asset Management**, said, “China has transformed from the ‘World’s Factory’, moved up the value-chain and shifted its economy to one that uses technology to create new products and services. Throughout the transformation, new, high-growth industries powered by technology have become a key driving force of China’s economic growth, with the new economy sector expanded at an average annual growth rate of 16.1% from 2007 to 2016, almost doubling the overall GDP growth. The new W.I.S.E. - Nasdaq Overseas China New Economy Companies Top 50 Index Tracker seeks to track the performance of the Nasdaq Overseas China New Economy Companies Top 50 Index<sup>SM</sup> which is designed to capture the new drivers of the China economy by investing into growth-related sectors. It includes the largest 50 companies from China (excluding A shares) that are classified as Consumer Goods, Health Care, Consumer Services or Technology according to the Industry

Classification Benchmark.”

**Mr. Chris Tse, Head of Asia Pacific, Nasdaq Indexes Global Information Services**, stated, “In recent years, we have seen many well-established Chinese companies listing abroad and in Hong Kong. It thus makes perfect sense for us at Nasdaq to create a market’s first index that tracks the largest 50 companies from China (excluding A shares) to capture these key drivers of China’s future economic growth. The 50 constituent stocks of the new index – all listed in the US or in Hong Kong - are carefully selected according to the Industry Classification Benchmark (ICB) and include some of the best-known household names in the China’s new economy sectors. We are thrilled that BOCI-Prudential Asset Management has selected our index as the underlying benchmark for this new ETF, offering investors an unrivalled opportunity to seize China’s high-speed economic growth.”

Units of W.I.S.E. – Nasdaq Overseas China New Economy Companies Top 50 Index Tracker was initially offered only to Participating Dealers from 12:00 noon (HKT) on 7 September 2018 to (i) 12:00 noon (HKT) on 10 September 2018 for in-cash Creation Applications and (ii) 3:00 pm (HKT) on 10 September 2018 for in-kind Creation Applications. The Fund has been listed on the SEHK today (12 September 2018). The Trading Board Lot Size of the Fund is 100 units, while the Initial Issue Price was HK\$10 per Unit (excluding Duties and Charges). BOCI-Prudential Asset Management is the manager and the listing agent of the Fund. China Merchants Securities (HK) Co., Limited and Citigroup Global Markets Asia Limited are the Participating Dealers.

### **Photo Captions**



Photo 1: Mr. Dick Lee, Chief Executive Officer of BOCI-Prudential Asset Management Limited (left), and Mr. Chris Tse, Head of Asia Pacific, Nasdaq Indexes Global Information Services (right) strikes the ceremonial gong to celebrate the commencement of the listing of W.I.S.E. – Nasdaq Overseas China New Economy Companies Top 50 Index Tracker on the SEHK.



Photo 2: Mr. Dick Lee, Chief Executive Officer of BOCI-Prudential Asset Management Limited (right), presents a crystal plaque as a souvenir to Mr. Brian Roberts, Senior Vice President & Head of Exchange Traded Products, Hong Kong Exchanges and Clearing Limited (left).



Photo 3: Mr. Dick Lee, Chief Executive Officer of BOCI-Prudential Asset Management Limited (right), presents a crystal plaque as a souvenir to Mr. Trevor Lee, Director of Investment Products, Securities and Futures Commission (left).



Photo 4: Group photo of Mr. Wang Zhongze, Director of BOCI-Prudential Asset Management Limited (7<sup>th</sup> left), Mr. Dick Lee, Chief Executive Officer of BOCI-Prudential Asset Management Limited (8<sup>th</sup> left), Mr. Tse Yung Hoi, Director of BOCI-Prudential Asset Management Limited (9<sup>th</sup> left) and all officiating guests.

## **About Nasdaq**

Nasdaq (Nasdaq: NDAQ) is a leading global provider of trading, clearing, exchange technology, listing, information and public company services. Through its diverse portfolio of solutions, Nasdaq enables customers to plan, optimize and execute their business vision with confidence, using proven technologies that provide transparency and insight for navigating today's global capital markets. As the creator of the world's first electronic stock market, its technology powers more than 100 marketplaces in 50 countries, and 1 in 10 of the world's securities transactions. Nasdaq is home to approximately 4,000 total listings with a market value of approximately US\$14 trillion.

For details, please visit its official website at [www.nasdaq.com](http://www.nasdaq.com)

## **About BOCI-Prudential Asset Management Limited**

BOCI-Prudential Asset Management Limited was jointly established by BOCI Asset Management Limited (which is a subsidiary company wholly owned by BOC International Holdings Limited) and Prudential Corporation Holdings Limited (which is a subsidiary company wholly owned by Prudential Holdings Limited) in 1999.

The Company offers a comprehensive spectrum of investment products and services, which include Hong Kong mandatory provident fund scheme ("MPF"), pension funds, retail unit trusts, exchange traded funds, institutional mandates and other investment funds. In addition, the Company also manages discretionary investment portfolio and charity fund for both private individuals and institutional clients.

For details, please visit its official website at [www.boci-pru.com.hk](http://www.boci-pru.com.hk).

## **Enquiry**

For details of the Fund, please call the enquiry hotline of the Manager at (852) 2280 8697.

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**Appendix I - 10 Largest Constituent Securities of the Underlying Index and their Respective Index Weightings (as at 27 August 2018)**

<b>Index Constituent</b>	<b>Stock Exchange</b>	<b>Weighting in Index</b>
1. BAIDU, INC.	Nasdaq	9.00%
2. ALIBABA GROUP HL LTD	NYSE	8.60%
3. Tencent Hldg Rg	SEHK	7.54%
4. JD.COM, INC. ADS	Nasdaq	6.45%
5. NETEASE INC ADS	Nasdaq	4.56%
6. CTRIP.COM INTL LTD	Nasdaq	3.36%
7. Geely Automobile Rg	SEHK	3.26%
8. Shenzhou Intl Gr Rg	SEHK	2.98%
9. WEIBO CORP. ADS	Nasdaq	2.88%
10. CSPC Pharmaceuti Rg	SEHK	2.68%

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## Index Provider Disclaimer

Nasdaq® and the Nasdaq Overseas China New Economy Companies Top 50 Index<sup>SM</sup> are registered trademarks of NASDAQ, Inc. (which with its affiliates is referred to as the "Corporations") and are licensed for use by BOCI-Prudential Asset Management Limited. W.I.S.E. - Nasdaq Overseas China New Economy Companies Top 50 Index Tracker (the "Fund") has not been passed on by the Corporations as to their legality or suitability. The Fund is not issued, endorsed, sold, or promoted by the Corporations. THE CORPORATIONS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE FUND.

### Key Features and Risks

- W.I.S.E. - Nasdaq Overseas China New Economy Companies Top 50 Index Tracker (the "Fund") is an index-tracking exchange traded fund which seeks to track the performance of the Nasdaq Overseas China New Economy Companies Top 50 Index<sup>SM</sup> (the "Underlying Index").
- The Underlying Index is a diversified index consisting of 50 constituent securities listed on the Nasdaq, The New York Stock Exchange (NYSE) or NYSE American, or be a component of the Nasdaq Global Index (NQGI) and listed on The Stock Exchange of Hong Kong Limited ("SEHK"), including but not limited to equity securities trading in the U.S. through American Depositary Receipts ("ADRs"). The Underlying Index is a modified market capitalization weighted index which is designed to capture the new drivers of the China Economy by investing into growth-related sectors. It includes the largest 50 companies from China (excluding A shares) that are classified as Consumer Goods, Health Care, Consumer Services or Technology according to the Industry Classification Benchmark (ICB) which is a globally recognized standard for company classification.
- Investment involves risks and the Fund may not be suitable for everyone. Past performance is not indicative of future performance. The Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Price of Units and the income (if any) generated from the Fund may go down as well as up. Investors could face no returns and/or suffer significant loss related to the investments. There is no guarantee in respect of repayment of principal.
- The key risks to which the Fund is subject to include: general investment risk, currency risk, concentration / People's Republic of China market risk/ emerging market risk, passive investment risk, tracking error risk, trading risk, ADRs risk, trading differences risks, equity market risk, termination risk, reliance on market maker risks and risk in relation to distribution.
- The Manager will normally make distributions out of net income received or receivable by the Fund. However, in the event that the net income is insufficient to pay the distributions that it declares, the Manager may also, in its absolute discretion, determine that distributions be paid out of the capital of the Fund, or the Manager may, in its discretion, pay distributions out of its gross income while charging/ paying all or part of its fees and expenses to/ out of the capital of the Fund, resulting in an increase in distributable income for the payment of distributions by the Fund and therefore, the Fund may effectively pay distributions out of capital. This may reduce the capital that the Fund has available for investment in future and may constrain capital growth.
- Investors should be aware that in circumstances where distributions are paid out of capital or effectively out of capital, this amounts to a return or withdrawal of part of the amount investors originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of capital or payment of distributions effectively out of capital (as the case may be) may result in an immediate decrease in the Net Asset Value per Unit.
- Please refer to the offering document of the Fund for further details including investment objectives and policies, charges and expenses, risk factors, and the arrangement in the event that the Fund is delisted, before making any investment decision.

### Important Information

Investment involves risks. The Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Investment in emerging markets involves special risks and considerations. Past performance is not indicative of future performance. Price of units and the income generated from them (if any) may go down as well as up. Investors should, before investing in the Fund, carefully read the Prospectus of the Fund for further details of all risks involved in investing in the Fund, including the arrangement in the event that the Fund is delisted. Investors should also note that the Fund is different from a typical retail investment fund offered to the public in Hong Kong, in particular:

a. Units of the Fund may only be created and redeemed in Application Unit size (as defined in the Prospectus) (Minimum 780,000 Units (or multiples thereof). The Trading Board Lot Size is 100 Units.) directly by Participating Dealer(s) or Eligible Investor(s) (as defined in the Prospectus) (save for, in the case of a Creation or Redemption Application by an Eligible Investor, subject to such terms and conditions as specified in the relevant application forms, and the other requirements set out in the section "Creation and Redemption of Units" of the Prospectus) from the Manager and may not be created or redeemed directly by other investors from the Manager. Such other investors may only make a request (and if such investor is a retail investor, through a stockbroker which has opened an account with a Participating Dealer) to create or redeem Units in Application Unit sizes through a Participating Dealer which reserves the right to refuse to accept a request from an investor to create or redeem Units under exceptional and limited circumstances. Alternatively, investors may realize the value of their Units by selling their Units through an intermediary such as a stockbroker on the SEHK, and there is a risk that

dealings on the SEHK may be suspended;

b. There is risk related to divergence between the market price of the Units and the Net Asset Value of the Fund. The market price of the Units traded on the SEHK is determined not only by the Net Asset Value of the Fund but also by other factors such as the supply of and demand for the Units in the SEHK.

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You should not solely rely on this document to make any investment decision. Please refer to the offering document of the Fund for further details of the Fund.

This document and the Manager's website have not been reviewed by the SFC.