

Press Release

CSOP Expands Thematic Offering and Issues Healthcare-Based ETF Tracking Greater China Companies Disrupting Traditional Healthcare Businesses

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FRANKFURT AM MAIN – The COVID-19 pandemic required businesses to innovate on short notice, catalyzing business transformations in the entire global healthcare ecosystem. The strain on healthcare providers' infrastructure, workforce, and supply chain management exposed inefficiencies, which are valeted by new companies disrupting traditional healthcare systems. Especially Chinese companies yield an advantage, as a recent report stated enhanced policy support from the Chinese government and domestic talent from returning students who studied abroad as one of the main drivers of Chinese companies' innovation capacity¹. Hong Kong's major ETF issuer CSOP pools the opportunity in performance of innovative healthcare pioneers in one new ETF, the **CSOP China Healthcare Disruption Index ETF (3174.HK)**. The ETF tracks the **Solactive China Healthcare Disruption Index**.

By 2026, the Chinese government's total health care expenditure is estimated to account for about 8% of the country's gross domestic product, increasing from 5.3% in 2012. This development, reinforced by a growing Chinese middle-class, leaves vast opportunities for companies operating in the field of innovative healthcare. The **Solactive China Healthcare Disruption Index**, which serves as the underlying for the **CSOP China Healthcare Disruption Index ETF**, tracks Hong Kong-listed companies having business operations in various innovative fields in the healthcare sector.

Companies eligible for index inclusion must be listed on the Hong Kong Stock Exchange and headquartered in China, Hong Kong, Taiwan, or Macau. Companies must derive their revenue from biotechnology and medical specialties, biopharmaceutical, healthcare equipment, internet pharmacy, or online drug retail. Furthermore, companies operating within drug discovery services, and healthcare technology in general, are eligible businesses. Companies having exposure to traditional services, such as generic pharmaceuticals, are excluded from the universe.

"Undeniably, China has become one of the world's most productive innovation hubs, and the healthcare sector, which is, at the moment, considered with the utmost importance, is no exemption," comments Timo Pfeiffer.

¹ <https://am.jpmorgan.com/hk/en/asset-management/per/insights/investment-ideas/china-health-care/>

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Chief Markets officer at Solactive. *"With the new CSOP China Healthcare Disruption Index ETF, CSOP demonstrates its forward-thinking approach to thematic investment, exemplifying again its commitment to add value to investor's portfolios. We are very excited about further expanding our business collaboration with CSOP and cannot wait for the next innovative release with them."*

Melody He, Managing Director, Head of Business Development and Product Strategy & Solutions, says: *"We are delighted to list the CSOP China Healthcare Disruption Index ETF (3174.HK) on HKEX and feel honored to continue our partnership with Solactive to present the investment opportunities of China's fast-growing healthcare sector to global investors. We look forward to bringing more thematic ETFs with Solactive for our investors in the future."*

The CSOP China Healthcare Disruption Index ETF (3174.HK) started trading on July 21st, on the Hong Kong Stock Exchange

For more information please visit: <http://www.solactive.com>

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Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt, and with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 18,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at April 2020, Solactive served approximately 450 clients across the world, with approximately US\$200 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

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