

Methodology of SSE Convertible Bond Index

SSE Convertible Bond Index is composed of convertible bonds listed on SSE market. The index is weighted by market capitalization. The index aims to reflect the performance of the convertible bonds listed on SSE market.

1. Index Name and Index Code

- Index Name: SSE Convertible Bond Index
- Shortened Name: SSE Convertible Bond
- Index Code: 000139

2. Base Date and Base Index

The index base date is Dec. 31, 2002. The base index is 100.

3. Index Eligibility

- Bond Type: Convertible bond listed on SSE market. The bond currency is RMB.
- Amount Outstanding: More than 30 million.

4. Index Calculation

The calculation of this index conforms to the Paasche weighted composite price index formula:

$$\text{Index} = \left[\frac{\text{Bond Market Value}}{\text{Divisor}} \right] \times 100$$

Where, Bond Market Value = $\sum (\text{Full Price} \times \text{Issued Amount})$

Full Price = Clean Price + Accrued Interest

The price in index calculation is based on trading price. As for other data in index calculation and divisor adjustment, please refer to Index Calculation and Maintenance Methodology for further details.

5. Constituents Adjustment

5.1 Regular Adjustment

The index is adjusted and rebalanced monthly. The effective date of monthly adjustment is the first trading day of each month. The data cutoff date of monthly adjustment is the previous trading day of the effective date.

5.2 Temporary Adjustment

In the event of suspension from listing or delisting, the constituents will be removed from the index on the event effective date as appropriate. In the event of redemption, constituents will be removed from the index on the fifth trading day after the redemption announcement date. As for other events, please refer to Index Calculation and Maintenance Methodology for further details.