



香港聯合交易所
The Stock Exchange of Hong Kong

NEWS RELEASE

March 15, 2000

Introduction of the Growth Enterprise Index

The Stock Exchange of Hong Kong will introduce the Growth Enterprise Index (GEI) on March 20, 2000 to provide investors with a benchmark indicator to assess the movement of the Growth Enterprise Market (GEM).

The base value of GEI is 1000 index points and the base date of the index is March 17, 2000. GEI is market-value weighted, which means that the index is weighted according to each company's market capitalisation. All GEM stocks will be included in the index.

A spokesman for the Exchange said the introduction of GEI would allow investors to measure the overall performance of GEM in a more efficient manner and help investors to make their investment decisions accordingly.

"The movement of GEI will be driven initially by a few large companies. This reflects the market structure and may change with the listing of more companies on GEM," the spokesman said.

With effect from March 20, real time GEI data will be available on teletext page 8788 and disseminated to all existing information vendors. The GEI will also be posted on the GEM web site (<http://www.hkgem.com>) and disseminated by Electronic Mailing Stock Information Service. Data available on the web will be 60 minutes delayed.

More details about the GEI are attached for your information. The weighting of all GEI constituent stocks will be released on March 17, 2000.

* * *

Corporate Communications Department

NEWSREL/00_030

香港聯合交易所 The Stock Exchange of Hong Kong

(香港交易及結算所有限公司全資附屬公司 A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

企業傳訊部 Corporate Communications Department

香港中環港景街一號國際金融中心一期11樓 11/F., One International Finance Centre, 1 Harbour View Street, Central, Hong Kong
電話 Telephone: 2522 1122 圖文傳真 Facsimile: 2845 3554

GROWTH ENTERPRISE INDEX (GEI)

Introduction

The Growth Enterprise Index (GEI) is designed to measure the overall performance of the Growth Enterprise Market, which has commenced operation since November 25, 1999. The Index is market-value weighted. This means that the GEI is weighted according to each company's size in term of market capitalisation (shares-in-issue multiplied by share price). All the GEM stocks will be included for index calculation.

Growth Enterprise Index (GEI)	
Release date	March 20, 2000
Base date	March 17, 2000
Base value	1000 index points
Currency used for index	Hong Kong Dollar
Constituents	All GEM stocks
Constituents' weighting	Full market capitalisation of each constituent stock
Calculation	Every 60 seconds

Calculation formula

$$\text{Current GEI} = \frac{\text{Current AMV of constituent stocks}}{\text{Previous minute's AMV of constituent stock}} \times \text{Previous minute's GEI}$$

The GEI summaries price movements by following the changes in the Aggregate Market Capitalisation (AMV) of the constituent stocks. The AMV will be adjusted for capital changes and stock additions and deletions.

Index components
(as at base date of March 17, 2000)

Listing date	Code	Stock name
1999/11/25	8011	China Agrotech Holdings Ltd.
1999/11/25	8028	Timeless Software Ltd.
1999/11/26	8013	Pine Technology Holdings Ltd.
1999/12/02	8003	T S Telecom Technologies Ltd.
1999/12/02	8018	SIIC Medical Science and Technology (Group) Ltd.
1999/12/16	8025	Asian Information Resources (Holdings) Ltd.
1999/12/17	8015	Qianlong Technology International Holdings Ltd.
2000/01/24	8016	China Data Broadcasting Holdings Ltd.
2000/01/31	8005	Yuxing InfoTech Holdings Ltd.
2000/01/31	8012	Far Eastern Polychem Industries Ltd.
2000/02/16	8040	Fortune Tele.com Holdings Ltd.
2000/02/25	8033	Vodatel Networks Holdings Ltd.
2000/03/01	8001	tom.com limited
2000/03/09	8006	hongkong.com Corporation
2000/03/16	8035	Wah Sang Gas Holdings Ltd.
2000/03/17	8008	Sunevision Holdings Ltd.

Growth Enterprise Market

The Growth Enterprise Market (GEM) is an alternative stock market operated by The Stock Exchange of Hong Kong Ltd. GEM aims at providing fund raising opportunities for growth companies of all sizes from all industries, i.e. enterprises that have good growth potential. GEM does not require growth companies to have achieved a record of profitability as a condition of listing. The rules, requirements and facilities of GEM are designed to satisfy the needs and standards of professional and informed investors.

By providing a fund raising venue and a strong identity, GEM promotes the development of technology industries in Hong Kong and the region. It also promotes the development of venture capital investments by offering an exit route and a venue for further fund raising.

GEM offers investors the alternative of investing in "high growth, high risk" business. It operates on the philosophy of "buyers beware" and "let the market decide", supported by a strong disclosure regime.