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中国银河证券股份有限公司
CHINA GALAXY SECURITIES CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 06881)

NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2017

NOTICE IS HEREBY GIVEN that the second extraordinary general meeting of 2017 (the “**EGM**”) of China Galaxy Securities Co., Ltd. (the “**Company**”) will be held at Donghua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC on Friday, 29 September 2017 at 10:30 a.m. for the following purpose:

SPECIAL RESOLUTION

1. To consider and approve the following amendments to the Articles of Association, to authorize the board of directors to make further adjustments in accordance with the opinions or requirements of relevant regulatory authorities, and to authorize the secretary to the board of directors to deal with the relevant procedural matters including reporting, filing, announcement and industrial and commercial registration.

- (i) A new Article 2 shall be added:

“Article 2

The Company shall establish an organization of the Communist Party of China in accordance with the Constitution of the Communist Party of China and the Company Law. The Party Committee shall play the core leadership role, providing direction, managing the overall situation and ensuring implementation. The Company shall also establish the working organs of the Party, which shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.”

- (ii) A new Chapter 4 shall be added:

“Chapter 4

Party Committee

Article 54

The Company shall establish the Party Committee consisting of one secretary, one or two deputy secretaries and several other members. The chairman of the board of directors of the Company and the secretary of the Party Committee shall be assumed by the same person, and

one deputy secretary shall be designated to assist the secretary in carrying out the Party building work. Eligible members of the Party Committee may take seats in the board of directors, the supervisory committee and the senior management through legal procedures, while eligible members of the board of directors, the supervisory committee and the senior management may take seats in the Party Committee in accordance with relevant rules and procedures. Meanwhile, a discipline inspection committee shall be established in accordance with relevant requirements.

Article 55

The Party Committee shall perform its duties in accordance with the internal laws and regulations of the Party including the Constitution of the Communist Party of China and the Working Rules of the Communist Party Committee of China (Trial).

- (1) To ensure and supervise the Company's implementation of policies and guidelines of the Party and the State, and implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of the Party organizations of higher levels.
- (2) To strengthen its leadership and gate keeping role in the process of selection and appointment of personnel, focus on standards, procedure, evaluation and supervision, and adhere to the principle of the Party supervising the performance of officials while ensuring the lawful selection by the board of directors of the senior management and the lawful exercise of the power of the senior management in the employment of personnel.
- (3) To research and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employees' interests, and provide comments and suggestions; to support the shareholders' general meeting, the board of directors, the supervisory committee and the senior management in performing their duties in accordance with law, and support the employee representatives' meeting in carrying out its work.
- (4) To undertake the main responsibility of comprehensive and strict Party management; to lead the Company's ideological and political work, the united front work, the spiritual civilization construction, the corporate culture cultivation as well as the work of groups such as the labor union and the Communist Youth League; to lead the construction of the Party's working style and its clean and honest administration, and support the discipline inspection committee in earnestly performing its supervisory responsibilities.
- (5) To strengthen the Company's grassroots Party organizations and their team building, give full play to the role of the Party branches as strongholds and to the role of the Party members as pioneers and fine examples, and unite and lead officials and employees to devote themselves into the reform and development of the Company.
- (6) To handle other important matters within the scope of duties of the Party Committee."

(iii) A new Article 166 shall be added:

“Article 166

The opinions of the Party Committee shall be heard before the board of directors decides on material issues of the Company.”

By order of the Board
China Galaxy Securities Co., Ltd.
Chen Gongyan
Chairman and Executive Director

Beijing, the PRC, 15 August 2017

Notes:

1. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. As such, the resolution set out in the notice of EGM will be voted by poll. Results of the poll voting will be published on the Company’s website at www.chinastock.com.cn and the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.
2. Any shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder of the Company.
3. In order to be valid, the form of proxy together with the notarized power of attorney or other documents of authorization, if any, must be completed and returned to the Office of the Board of Directors of the Company (for holders of A Shares) or the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited (for holders of H Shares), not less than 24 hours before the time appointed for holding the EGM (i.e. no later than 10:30 a.m. on 28 September 2017) or any adjournment thereof. Computershare Hong Kong Investor Services Limited is located at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the EGM or any adjournment thereof should he/she so wish.
4. The H Share register of members of the Company will be closed, for the purpose of determining the entitlement of holders of H Shares to attend the EGM, from Tuesday, 29 August 2017 to Friday, 29 September 2017 (both days inclusive), during which period no transfer of H Shares will be registered. In order to attend the EGM, all share certificates, together with the instruments of transfers, must be lodged for registration with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited (for holders of H Shares) at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Monday, 28 August 2017. The Company will announce separately on the Shanghai Stock Exchange details of the eligibility of the holders of A Shares for attending the EGM.
5. Where there are joint holders of any shares, the one whose name stands first on the register of members shall be entitled to attend and vote at the EGM in respect of such shares.
6. Shareholders of the Company intending to attend the EGM in person or by their proxies should return the reply slip for attending the EGM in person or by post to the Office of the Board of Directors of the Company (for holders of A Shares) or the Company’s H Share registrar, Computershare Hong Kong Investors Services Limited (for holders of H Shares) on or before Saturday, 9 September 2017. The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.

7. Shareholder or his/her proxy shall produce proof of identity when attending the EGM:
- (1) Legal representatives of legal person shareholders who attend the meeting shall produce their own identity cards and effective proof of their capacity as legal representatives. Proxies of legal person shareholders shall produce their own identity cards and the form of proxy duly signed by the legal representatives or the board of directors or other governing body of the legal person shareholders according to laws.
 - (2) Individual shareholders who attend the meeting in person shall produce their identity cards or other effective document or proof of identity and stock account cards. Proxies of individual shareholders shall produce effective proof of identity and form of proxy.
8. The EGM is expected to be held for less than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
9. The Office of the Board of Directors of the Company is located at Tower C, Corporate Square, 35 Finance Street, Xicheng District, Beijing, the PRC.

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As at the date of this notice, the Executive Directors of the Company are Mr. CHEN Gongyan (Chairman), Mr. GU Weiguo (Vice Chairman) and Mr. WU Chengming; the Non-executive Directors are Mr. DU Ping, Mr. SHI Xun, Mr. ZHANG Jinghua and Mr. LI Chaoyang; and the Independent Non-executive Directors are Mr. LIU Feng, Mr. LUO Lin, Mr. WU Yuwu and Mr. CHI Fulin.