
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in China Galaxy Securities Co., Ltd., you should at once hand this circular and the accompanying form of proxy and reply slip of the EGM to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**ELECTION OF MS. XIAO LIHONG AND MR. ZHANG TIANLI AS
NON-EXECUTIVE DIRECTORS OF THE THIRD SESSION OF THE BOARD
ELECTION OF MS. LIU CHUN AS AN INDEPENDENT DIRECTOR OF
THE THIRD SESSION OF THE BOARD
ELECTION OF MS. FANG YAN AS A NON-EMPLOYEE REPRESENTATIVE
SUPERVISOR OF THE THIRD SESSION OF THE SUPERVISORY COMMITTEE
REMUNERATION PLAN FOR MR. CHEN GONGYAN
AND MS. CHEN JING FOR 2017
REMUNERATION PLAN FOR MR. ZHONG CHENG
FOR THE YEARS FROM 2015 TO 2017
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019**

A notice convening the EGM of China Galaxy Securities Co., Ltd. to be held at Donghua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC, on Tuesday, 26 February 2019 at 10:30 a.m. is set out on pages 11 to 13 of this circular.

If you intend to appoint a proxy to attend the EGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) or the Office of the Board of Directors of the Company (for holders of A Shares) not less than 24 hours before the time appointed for holding the EGM (i.e. no later than 10:30 a.m. on 25 February 2019) or any adjournment thereof in person or by post. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

If you intend to attend the EGM in person or by proxy, please complete the enclosed reply slip and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) or the Office of the Board of Directors of the Company (for holders of A Shares) on or before Tuesday, 5 February 2019.

11 January 2019

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“A Share(s)”	domestic share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the Shanghai Stock Exchange and traded in RMB
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board” or “Board of Directors”	the board of Directors of the Company
“Company”	China Galaxy Securities Co., Ltd., a joint stock company with limited liability incorporated in the PRC on 26 January 2007, whose H Shares are listed on the Stock Exchange (Stock Code: 06881) and A Shares are listed on the Shanghai Stock Exchange (Stock Code: 601881)
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“EGM” or “Extraordinary General Meeting”	the first extraordinary general meeting of 2019 to be held by the Company at Donghua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC on Tuesday, 26 February 2019 at 10:30 a.m.
“Galaxy Financial Holdings”	China Galaxy Financial Holdings Company Limited (中國銀河金融控股有限責任公司), a limited liability company incorporated in the PRC, and the controlling shareholder of the Company
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Director(s)” or “Independent Non-executive Director(s)”	the independent non-executive Director(s) of the Company

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Nomination and Remuneration Committee”	the nomination and remuneration committee of the Company
“PRC” or “China”	the People’s Republic of China, but for the purposes of this circular, excluding Hong Kong, Macau Special Administrative Region and Taiwan region
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company, including A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

In case of any discrepancy between the Chinese version and the English version of this circular, the Chinese version shall prevail.

LETTER FROM THE BOARD



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)

The Board of Directors:

Executive Directors:

Mr. CHEN Gongyan (*Chairman*)
Mr. GU Weiguo (*Vice Chairman and President*)
Mr. WU Chengming

Registered Office and Head Office in the PRC:

2-6/F, Tower C, Corporate Square
35 Finance Street
Xicheng District
Beijing, the PRC

Non-executive Directors:

Mr. SHI Xun
Mr. LIU Dingping
Mr. LI Chaoyang

Principal Place of Business in Hong Kong:

20/F, Wing On Centre
111 Connaught Road Central
Sheung Wan
Hong Kong

Independent Non-executive Directors:

Mr. WANG Zhenjun
Mr. LUO Lin
Mr. WU Yuwu
Mr. LIU Ruizhong

11 January 2019

To the Shareholders

Dear Sir or Madam,

**ELECTION OF MS. XIAO LIHONG AND MR. ZHANG TIANLI AS
NON-EXECUTIVE DIRECTORS OF THE THIRD SESSION OF THE BOARD
ELECTION OF MS. LIU CHUN AS AN INDEPENDENT DIRECTOR OF
THE THIRD SESSION OF THE BOARD
ELECTION OF MS. FANG YAN AS A NON-EMPLOYEE REPRESENTATIVE
SUPERVISOR OF THE THIRD SESSION OF THE SUPERVISORY COMMITTEE
REMUNERATION PLAN FOR MR. CHEN GONGYAN
AND MS. CHEN JING FOR 2017
REMUNERATION PLAN FOR MR. ZHONG CHENG
FOR THE YEARS FROM 2015 TO 2017**

INTRODUCTION

On behalf of the Board of Directors, I invite you to attend the EGM to be held at Donghua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC on Tuesday, 26 February 2019 at 10:30 a.m..

LETTER FROM THE BOARD

The purpose of this circular is to provide you with the notice of the EGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions or abstain from voting at the EGM.

BUSINESSES TO BE CONSIDERED AT THE EGM

Ordinary resolutions will be proposed at the EGM to approve: (1) the election of Ms. XIAO Lihong and Mr. ZHANG Tianli as non-executive Directors of the third session of the Board, (2) the election of Ms. LIU Chun as an Independent Director of the third session of the Board, (3) the election of Ms. FANG Yan as a non-employee representative Supervisor of the third session of the Supervisory Committee, (4) the remuneration plan for Mr. CHEN Gongyan for 2017, (5) the remuneration plan for Ms. CHEN Jing for 2017, and (6) the remuneration plan for Mr. ZHONG Cheng for the years from 2015 to 2017.

Pursuant to the Articles of Association, the cumulative voting system shall be adopted at the general meeting for the election of two or more Directors (including Independent Directors) and Supervisors. When conducting cumulative voting, the number of votes to which a Shareholder is entitled shall be equal to the total number of Shares he/she holds times the number of Director or Supervisor candidates. A Shareholder may cast all his/her votes to one Director or Supervisor candidate or to various Director or Supervisor candidates. When conducting cumulative voting, the election of Independent Directors shall be conducted separately from the election of other Directors to ensure the proportion of Independent Directors in the Board. Accordingly, the cumulative voting system will be adopted at the EGM with respect to Resolutions No. 1.1 and No. 1.2 on the election of non-executive Directors of the third session of the Board as contained in the notice of the EGM.

1. To consider and approve the election of Ms. XIAO Lihong and Mr. ZHANG Tianli as non-executive Directors of the third session of the Board

At a meeting of the Board held on 21 December 2018, the Board considered and approved the proposals in relation to the nomination of Ms. XIAO Lihong and Mr. ZHANG Tianli as candidates for non-executive Director of the third session of the Board. The qualification of each of Ms. XIAO Lihong and Mr. ZHANG Tianli as a Director has been approved by the CSRC Beijing Branch.

Due to adjustment of work arrangements, Mr. SHI Xun and Mr. WU Chengming will cease to be Directors after the election of Ms. XIAO Lihong and Mr. ZHANG Tianli as Directors is approved by the Shareholders at the EGM. Mr. SHI Xun and Mr. WU Chengming have confirmed that they have no disagreement with the Board and there are no other matters relating to their resignations that need to be brought to the attention of the Shareholders. The Company will make a separate announcement on the change of Directors upon conclusion of the EGM.

LETTER FROM THE BOARD

The biographical details of Ms. XIAO Lihong and Mr. ZHANG Tianli are set out below:

XIAO Lihong, female, born in July 1965, held various positions in the State Administration of Foreign Exchange from August 1988 to September 2017, including a staff member of the General Office, a senior staff member and a principal staff member of the Management and Inspection Department, the deputy division chief of the Current Account Division, the deputy division chief of the Non-trade Foreign Exchange Management Division, the division chief of the Business Supervision Division of the Current Account Management Department, and the deputy director and an inspector of the Current Account Management Department. Since September 2017, she has been serving as a non-executive director of Bank of China Limited and a member of its Strategic Development Committee and Risk Policy Committee, and a director of the New York Branch of Bank of China and a member of its Risk Committee. Since October 2018, she has been serving as a director, a member of the Strategy Committee and the Remuneration Committee, and the chairman of the Risk and Audit Committee of Galaxy Financial Holdings. Ms. XIAO graduated from the Central College of Finance and Economics in June 1988 majoring in finance with a bachelor's degree in economics, from the Central University of Finance and Economics in September 2003 majoring in finance with a master's degree in economics, and from Peking University in July 2012 majoring in public administration with a master's degree in public administration.

ZHANG Tianli, male, born in December 1962, has been a director of Galaxy Financial Holdings since August 2017. Mr. ZHANG served as an assistant researcher of Chinese Academy of Fiscal Sciences of the Ministry of Finance of the PRC from August 1985 to April 1989. He successively served as a principal staff member, the deputy division chief and the division chief of the Department of Taxation of the Ministry of Finance of the PRC from April 1989 to April 2008, the vice president of Beijing National Accounting Institute from April 2008 to August 2014, and the deputy director of the Department of Taxation of the Ministry of Finance of the PRC from August 2014 to August 2017. Mr. ZHANG obtained a bachelor's degree in economics from the Department of Finance of Hubei Economics Institute in July 1985.

Each of Ms. XIAO and Mr. ZHANG will enter into a letter of appointment with the Company. The term of office of each of Ms. XIAO and Mr. ZHANG will commence from the date of approval by the Shareholders at the EGM and end on the expiry of the term of the third session of the Board. They are eligible for re-election upon expiry of their term. Ms. XIAO and Mr. ZHANG will not receive any director's fee or remuneration from the Company.

Save as disclosed above, Ms. XIAO and Mr. ZHANG have not held any directorships in other listed public companies in the last three years, do not hold any other position with the Company or any of its subsidiaries, and are not connected with any Directors, senior management or substantial or controlling Shareholders of the Company. Ms. XIAO and Mr. ZHANG do not have any interest in the Shares within the meaning of Part XV of the SFO.

LETTER FROM THE BOARD

Further, there is nothing in respect of the election of Ms. XIAO and Mr. ZHANG that needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor is there anything that needs to be brought to the attention of the Shareholders.

2. To consider and approve the election of Ms. LIU Chun as an Independent Director of the third session of the Board

At a meeting of the Board held on 21 December 2018, the Board considered and approved the proposal in relation to the nomination of Ms. LIU Chun as a candidate for Independent Director of the third session of the Board. The qualification of Ms. LIU Chun as a Director has been approved by the CSRC Beijing Branch.

Due to age reason, Mr. LUO Lin will cease to be a Director after the election of Ms. LIU Chun as a Director is approved by the Shareholders at the EGM. Mr. LUO Lin has confirmed that he has no disagreement with the Board and there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders. The Company will make a separate announcement on the change of Directors upon conclusion of the EGM.

The biographical details of Ms. LIU Chun are set out below:

LIU Chun, female, born in January 1963, was the finance manager of Dalian Friendship (Group) Co., Ltd. from July 1985 to May 2001 and held various positions in China National Investment and Guaranty Corporation (formerly known as China Economic Technology Investment and Guaranty Co., Ltd., China National Investment and Guaranty Co., Ltd. and China National Finance and Guaranty Co., Ltd.) from May 2001 to January 2018. She successively served as the finance manager, an assistant to the general manager and the person in charge of accounting function of the Dalian branch of China Economic Technology Investment and Guaranty Co., Ltd. from May 2001 to January 2010. She successively served as the deputy general manager and chief financial officer of the Dalian branch of China National Investment and Guaranty Co., Ltd., and an assistant to the general manager of the Accounting Management Department of China National Investment and Guaranty Co., Ltd. from January 2010 to October 2013. She was an assistant to the general manager of the Accounting Management Department and the chief financial officer of the Dalian branch of China National Finance and Guaranty Co., Ltd. from October 2013 to August 2015. She successively served as an assistant to the general manager of the Accounting Management Department and the chief financial officer of the Dalian branch, and the senior manager of the Financial Accounting Department of China National Investment and Guaranty Corporation from August 2015 to January 2018. Ms. LIU graduated from Jiangxi College of Finance and Economics in 1985 majoring in trade and economics with a bachelor's degree in economics, and obtained the qualification of senior accountant in 2006.

Ms. LIU will enter into a letter of appointment with the Company. The term of office of Ms. LIU will commence from the date of approval by the Shareholders at the EGM and end on the expiry of the term of the third session of the Board. She is eligible for re-election upon expiry of her term.

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An Independent Director will receive a directors' fee of RMB150,000 per annum from the Company. In addition, an Independent Director who acts as the chairman of a special committee of the Board will receive an additional allowance of RMB50,000 per annum, and an Independent Director who acts as a member of a special committee of the Board will receive an additional allowance of RMB30,000 per annum. The directors' fees and allowances are determined pursuant to the relevant remuneration administrative measures of the Company with reference to their duties and responsibilities. If there is any provision on the remuneration of independent directors under the relevant national policies, the actual amount of remuneration payable by the Company to the Independent Directors will be adjusted in accordance with such policies.

Save as disclosed above, Ms. LIU has not held any directorships in other listed public companies in the last three years, does not hold any other position with the Company or any of its subsidiaries, and is not connected with any Directors, senior management or substantial or controlling Shareholders of the Company. Ms. LIU does not have any interest in the Shares within the meaning of Part XV of the SFO.

Further, there is nothing in respect of the election of Ms. LIU that needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor is there anything that needs to be brought to the attention of the Shareholders.

Nomination policy and process for the Independent Director

In reviewing the structure of the Board, the Nomination and Remuneration Committee will consider the Board diversity from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against criteria including talents, skills and experience as may be necessary for the operation of the Board as a whole, with a view to maintaining a sound balance of the Board's composition. The Nomination and Remuneration Committee is of the view that Ms. LIU has nearly 30 years of working experience in financial management, is able to devote sufficient time and attention to perform the duties as an Independent Director, and has strong theoretical foundation and profound knowledge of relevant laws and regulations. The election of Ms. LIU as an Independent Director may further replenish the professional knowledge of the Board in financial management, promote the diversity of the Board in gender, and enhance the financial management standard of the Company. As such, on 14 December 2018, the Nomination and Remuneration Committee nominated Ms. LIU to the Board for it to recommend to the Shareholders for election at the EGM.

The Board considers that Ms. LIU possesses the basic knowledge of operations of listed companies, is familiar with the relevant laws, administrative regulations, departmental rules and other regulatory documents and has the relevant working experiences in law, economics, finance, management or other experiences necessary for serving as an Independent Director. Moreover, Ms. LIU has confirmed her independence pursuant to Rule 3.13 of the Listing Rules. The Board also considers that Ms. LIU meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

LETTER FROM THE BOARD

3. To consider and approve the election of Ms. FANG Yan as a non-employee representative Supervisor of the third session of the Supervisory Committee

At a meeting of the Supervisory Committee held on 21 December 2018, the Supervisory Committee considered and approved the proposal in relation to the nomination of Ms. FANG Yan as a candidate for non-employee representative Supervisor of the third session of the Supervisory Committee. The qualification of Ms. FANG Yan as a Supervisor has been approved by the CSRC Beijing Branch.

Due to adjustment of work arrangements, Mr. ZHONG Cheng will cease to be a Supervisor after the election of Ms. FANG Yan as a Supervisor is approved by the Shareholders at the EGM. Mr. ZHONG Cheng has confirmed that he has no disagreement with the Supervisory Committee and there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders. The Company will make a separate announcement on the change of Supervisors upon conclusion of the EGM.

The biographical details of Ms. FANG Yan are set out below:

FANG Yan, female, born in September 1968, is a member of the 13th National People's Congress, a director of the All China Lawyers Association, the vice president of Shaanxi Provincial Lawyers Association and a member of its Party Committee, a special supervisor of the third session of the Supreme People's Court, a special supervisor of the Supreme People's Procuratorate, a direct contact representative of the vice chairman of the National People's Congress, a legal adviser to the Shaanxi Provincial People's Government, a member of the 11th National Women's Congress, a member of the 13th Execution Committee of the Shaanxi Provincial Women Federation, the president of the Shaanxi Provincial Women Legal Workers Association, and the vice president of the Shaanxi Provincial Child Welfare Society. She was awarded the titles including "2018 ALB China's Best 15 Female Lawyers", "Provincial Excellent Lawyers" of Shaanxi Province, "March 8 Red Flag Bearer of Shaanxi Province" and "Excellent Communist Party Member" in law industry of Shaanxi Province. Ms. FANG was a teacher of the Party School of Beijing Municipal Public Security Bureau from July 1990 to June 1994, a partner of the Beijing LCC Partners Law Office from June 1994 to October 1995, and the deputy division chief of the Legal Department of Shaanxi International Trust Investment Co. Ltd. from October 1995 to March 2000. She has been a senior partner of Jincheng Tongda & Neal Law Firm and the director of its Xi'an branch since March 2000. Ms. FANG graduated from Renmin University of China in July 1990 with a bachelor's degree in law, and from Northwest University in July 2001 with a master's degree in economics.

Ms. FANG will enter into a letter of appointment with the Company. The term of office of Ms. FANG will commence from the date of approval by the Shareholders at the EGM and end on the expiry of the term of the third session of the Supervisory Committee. She is eligible for re-election upon expiry of her term.

As an external Supervisor, Ms. FANG will receive a supervisor's fee of RMB120,000 per annum from the Company. The supervisor's fee is determined pursuant to the relevant remuneration administrative measures of the Company with reference to the external Supervisor's duties and responsibilities. If there is any provision on the remuneration of

LETTER FROM THE BOARD

external supervisors under the relevant national policies, the actual amount of remuneration payable by the Company to the external Supervisor will be adjusted in accordance with such policies.

Save as disclosed above, Ms. FANG has not held any directorships in other listed public companies in the last three years, does not hold any other position with the Company or any of its subsidiaries, and is not connected with any Directors, senior management or substantial or controlling Shareholders of the Company. Ms. FANG does not have any interest in the Shares within the meaning of Part XV of the SFO.

Further, there is nothing in respect of the election of Ms. FANG that needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules nor is there anything that needs to be brought to the attention of the Shareholders.

4. To consider and approve the remuneration plan for Mr. CHEN Gongyan for 2017

According to the Articles of Association, the remuneration of Mr. CHEN Gongyan, the Chairman of the Board, shall be submitted to the Shareholders' general meeting for consideration and approval. Pursuant to the remuneration administrative measures of the Company and based on the performance appraisal results of Mr. CHEN Gongyan, the total remuneration of Mr. CHEN Gongyan for 2017 is proposed to be RMB2,921,143.06.

5. To consider and approve the remuneration plan for Ms. CHEN Jing for 2017

According to the Articles of Association, the remuneration of Ms. CHEN Jing, the Chairperson of the Supervisory Committee, shall be submitted to the Shareholders' general meeting for consideration and approval. Pursuant to the remuneration administrative measures of the Company and based on the performance appraisal results of Ms. CHEN Jing, the total remuneration of Ms. CHEN Jing for 2017 is proposed to be RMB2,570,605.89.

6. To consider and approve the remuneration plan for Mr. ZHONG Cheng for the years from 2015 to 2017

According to the Articles of Association, the remuneration of Mr. ZHONG Cheng, a Supervisor, shall be submitted to the Shareholders' general meeting for consideration and approval. Pursuant to the remuneration administrative measures of the Company and based on the performance appraisal results of Mr. ZHONG Cheng, the total remuneration of Mr. ZHONG Cheng for the years from 2015 to 2017 is proposed to be RMB3,237,600, RMB2,514,300 and RMB2,243,200, respectively.

THE EGM

The form of proxy and the reply slip of the EGM are enclosed herewith.

If you intend to appoint a proxy to attend the EGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) or the Office of the Board of Directors of the Company (for holders of A Shares) not less than 24 hours

LETTER FROM THE BOARD

before the time appointed for holding the EGM (i.e. no later than 10:30 a.m. on 25 February 2019) or any adjournment thereof in person or by post. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

If you intend to attend the EGM in person or by proxy, please complete the enclosed reply slip and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) or the Office of the Board of Directors of the Company (for holders of A Shares) on or before Tuesday, 5 February 2019.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. As such, the Chairman of the EGM will exercise his power under the Articles of Association to demand a poll for the resolutions proposed at the EGM.

RECOMMENDATION

The Board considers that the resolutions proposed at the EGM are in the interests of the Company and its Shareholders as a whole. As such, the Board recommends you to vote in favour of the resolutions proposed at the EGM.

Yours faithfully,
By Order of the Board
China Galaxy Securities Co., Ltd.
CHEN Gongyan
Chairman and Executive Director

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019



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 FIRST EXTRAORDINARY GENERAL MEETING OF 2019

NOTICE IS HEREBY GIVEN that the first extraordinary general meeting of 2019 (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 Tuesday, 26 February 2019 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To consider and approve the election of non-executive directors of the third session of the board of directors of the Company:
 - 1.1 To consider and approve the election of Ms. XIAO Lihong as a non-executive director of the third session of the board of directors of the Company;
 - 1.2 To consider and approve the election of Mr. ZHANG Tianli as a non-executive director of the third session of the board of directors of the Company;
2. To consider and approve the election of Ms. LIU Chun as an independent director of the third session of the board of directors of the Company;
3. To consider and approve the election of Ms. FANG Yan as a non-employee representative supervisor of the third session of the supervisory committee of the Company;
4. To consider and approve the remuneration plan for Mr. CHEN Gongyan for 2017;
5. To consider and approve the remuneration plan for Ms. CHEN Jing for 2017; and
6. To consider and approve the remuneration plan for Mr. ZHONG Cheng for the years from 2015 to 2017.

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

Beijing, the PRC, 11 January 2019

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019

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 resolutions 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 25 February 2019) 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 Saturday, 26 January 2019 to Tuesday, 26 February 2019 (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 Friday, 25 January 2019. 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 Investor Services Limited (for holders of H Shares) on or before Tuesday, 5 February 2019. 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:
 - (a) 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.
 - (b) 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.

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019

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.

Tel. no.: 86 (10) 6656 8888

Fax no.: 86 (10) 6656 8640

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. SHI Xun, Mr. LIU Dingping and Mr. LI Chaoyang; and the Independent Non-executive Directors are Mr. WANG Zhenjun, Mr. LUO Lin, Mr. WU Yuwu and Mr. LIU Ruizhong.