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)

ANNOUNCEMENT

ACCUMULATED NEW LOANS FOR THE YEAR EXCEEDING 20% OF THE NET ASSETS AT THE END OF THE PREVIOUS YEAR

This announcement is made by China Galaxy Securities Co., Ltd. (the "**Company**") pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company published the "Announcement on Accumulated New Loans for the Year Exceeding 20% of the Net Assets at the End of the Previous Year" on the website of the Shanghai Stock Exchange (http://www.sse.com.cn), details of which are as follows:

I. OVERVIEW OF KEY FINANCIAL DATA

As at 31 December 2020, the unaudited consolidated net assets of the Company amounted to RMB81,990 million and the balance of loans amounted to RMB102,335 million. As at 31 January 2021, the balance of the loans of the Company was RMB120,177 million, and the accumulated new loans amounted to RMB17,842 million, accounting for 21.76% of the net assets at the end of the previous year.

II. CLASSIFICATION OF NEW LOANS

(I) Bank loans

As at 31 January 2021, the balance of the Company's bank loans increased by RMB15,544 million as compared to the end of 2020, accounting for 18.96% of the net assets at the end of 2020, mainly due to the increase in short-term borrowings.

(II) Enterprise bonds, corporate bonds, financial bonds, debt financing instruments for non-financial companies

As at 31 January 2021, the balance of the bonds issued by the Company increased by RMB2,298 million as compared to the end of 2020, with the change accounting for 2.80% of the net assets at the end of 2020, of which, corporate bonds increased by RMB3,553 million as compared to the end of 2020, accounting for 4.34% of the net assets at the end of 2020; subordinated bonds decreased by RMB242 million as compared to the end of 2020, accounting for -0.30% of the net assets at the end of 2020; short-term notes decreased by RMB1,013 million as compared to the end of 2020, accounting for -1.24% of the net assets at the end of 2020.

(III) Entrusted loans, finance leases borrowings, microloans

Not available.

(IV) Other borrowings

Not available.

III. ANALYSIS OF THE IMPACT OF NEW LOANS ON SOLVENCY FOR THE YEAR

The above new loans are in compliance with the relevant laws and regulations and are within the scope of the Company's normal operating activities. The Company is in a sound financial position and all debts are being repaid on time. The above new loans will not adversely affect the Company's operations and solvency. Investors are reminded that the above financial data are unaudited.

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

Beijing, the PRC
5 February 2021

As at the date of this announcement, the executive directors of the Company are Mr. CHEN Gongyan (Chairman) and Mr. CHEN Liang (Vice Chairman and President); the non-executive directors are Mr. LIU Dingping and Ms. XIAO Lihong; and the independent non-executive directors are Mr. LIU Ruizhong, Mr. WANG Zhenjun, Ms. LIU Chun and Mr. LAW Cheuk Kin Stephen.