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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 MR. CHEN LIANG AS AN EXECUTIVE DIRECTOR OF THE THIRD SESSION OF THE BOARD AND NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2019

A notice convening the EGM of China Galaxy Securities Co., Ltd. to be held at Xihua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC, on Friday, 20 December 2019 at 10:30 a.m. is set out on pages 6 to 7 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 19 December 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 Friday, 29 November 2019.

4 November 2019

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2019	6

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)
“Director(s)”	the director(s) of the Company
“EGM” or “Extraordinary General Meeting”	the second extraordinary general meeting of 2019 to be held by the Company at Xihua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC on Friday, 20 December 2019 at 10:30 a.m.
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“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”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of the Company, including A Share(s) and H Share(s)

DEFINITIONS

“Shareholder(s)”

holder(s) of the Share(s)

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

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 Director:

Mr. CHEN Gongyan (*Chairman*)

Non-executive Directors:

Mr. LIU Dingping

Ms. XIAO Lihong

Mr. ZHANG Tianli

Ms. WANG Zelan

Independent Non-executive Directors:

Mr. LIU Ruizhong

Mr. WANG Zhenjun

Ms. LIU Chun

*Registered Office and Head Office
in the PRC:*

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

*Principal Place of Business
in Hong Kong:*

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

4 November 2019

To the Shareholders

Dear Sir or Madam,

**ELECTION OF MR. CHEN LIANG AS AN EXECUTIVE DIRECTOR OF
THE THIRD SESSION OF THE BOARD**

INTRODUCTION

On behalf of the Board of Directors, I invite you to attend the EGM to be held at Xihua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC on Friday, 20 December 2019 at 10:30 a.m..

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 resolution or abstain from voting at the EGM.

**ELECTION OF MR. CHEN LIANG AS AN EXECUTIVE DIRECTOR OF THE THIRD
SESSION OF THE BOARD**

At a meeting of the Board held on 11 June 2019, the Board considered and approved the proposal in relation to the nomination of Mr. CHEN Liang as a candidate for executive Director of the third session of the Board.

LETTER FROM THE BOARD

The biographical details of Mr. CHEN Liang are set out below:

CHEN Liang, male, born in January 1968, have been the deputy secretary of the Party Committee of the Company since May 2019, and the president of the Company since June 2019. He served as the a member of the Executive Committee of the Company from June 2019 to September 2019, and has been serving as the vice chairman of the Executive Committee of the Company since September 2019 and concurrently as the chief risk officer of the Company since October 2019. From October 1994 to February 2001, Mr. CHEN Liang served as the director of the Computer Division, deputy general manager of the Securities Division, manager of the Securities Branch in Wenyi Road, and deputy general manager of the Securities Business Headquarters of Xinjiang Hongyuan Trust Investment Co., Ltd.. From February 2001 to September 2009, he served as the general manager of the Urumqi Business Headquarters of Hong Yuan Securities Co., Ltd. (“**Hong Yuan Securities**”), assistant to the general manager of Hong Yuan Securities, general manager of the Xinjiang Sales and Marketing Center, and general manager of the Brokerage Business Headquarters of Hong Yuan Securities. From September 2009 to January 2015, he was the deputy general manager of Hong Yuan Securities and the chairman of the board of directors of Hongyuan Futures Co., Ltd.. From December 2014 to May 2019, he served as a member of the Party Committee of each of Shenwan Hongyuan Group Co., Ltd. and Shenwan Hongyuan Securities Co., Ltd., the general manager of Shenwan Hongyuan Group Co., Ltd., and an executive director of Shenwan Hongyuan Securities (Western) Co., Ltd.. From August 2015 to May 2019, he served as the secretary of the Party Committee of Shenwan Hongyuan Securities (Western) Co., Ltd.. Mr. CHEN Liang graduated from Xinjiang University majoring in mathematics and obtained a bachelor’s degree in July 1989, and obtained an EMBA degree from Fudan University in January 2016.

Mr. CHEN Liang will enter into a service contract with the Company. His term of office as an executive Director 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. He is eligible for re-election upon expiry of his term.

Mr. CHEN Liang will not receive any director’s fee from the Company but will receive corresponding remuneration in accordance with his position in the Company, including salary, performance-based bonus and benefits. His specific remuneration will be determined pursuant to the relevant remuneration administrative measures of the Company with reference to his duties and responsibilities. The remuneration will be submitted to the Board for approval.

Save as disclosed above, Mr. CHEN Liang 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. Mr. CHEN Liang does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Further, save as disclosed above, there is no other information in respect of the election of Mr. CHEN Liang 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.

LETTER FROM THE BOARD

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 before the time appointed for holding the EGM (i.e. no later than 10:30 a.m. on 19 December 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 Friday, 29 November 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 resolution proposed at the EGM.

RECOMMENDATION

The Board considers that the resolution proposed at the EGM is in the interests of the Company and its Shareholders as a whole. As such, the Board recommends you to vote in favour of the resolution 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 SECOND 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 SECOND EXTRAORDINARY GENERAL MEETING OF 2019

NOTICE IS HEREBY GIVEN that the second extraordinary general meeting of 2019 (the “**EGM**”) of China Galaxy Securities Co., Ltd. (the “**Company**”) will be held at Xihua Hall, 11th Floor, Beijing Minzu Hotel, No. 51 Fuxingmen Inner Street, Xicheng District, Beijing, the PRC on Friday, 20 December 2019 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTION

1. To consider and approve the election of Mr. CHEN Liang as an executive director of the third session of the board of directors of the Company.

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

Beijing, the PRC, 4 November 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 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 19 December 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.

NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2019

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 Wednesday, 20 November 2019 to Friday, 20 December 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 Tuesday, 19 November 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 Investors Services Limited (for holders of H Shares) on or before Friday, 29 November 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 or other effective document of identity; and
 - (b) Individual shareholders who attend the meeting in person shall produce their identity cards or other effective document of identity. Proxies of individual shareholders shall produce their own identity cards or other effective document of identity.
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.

Tel. no.: 86 (10) 6656 8888

Fax no.: 86 (10) 6656 8640

As at the date of this notice, the executive director of the Company is Mr. CHEN Gongyan (Chairman); the non-executive directors are Mr. LIU Dingping, Ms. XIAO Lihong, Mr. ZHANG Tianli and Ms. WANG Zelan; and the independent non-executive directors are Mr. LIU Ruizhong, Mr. WANG Zhenjun and Ms. LIU Chun.