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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)

ANNOUNCEMENT

COMPLETION OF NON-PUBLIC ISSUANCE OF 2020 SUBORDINATED BONDS (FIRST TRANCHE)

Reference is made to the circular of China Galaxy Securities Co., Ltd. (the “**Company**”) dated 5 May 2017 and the announcement dated 22 June 2017.

The amendment to the plan on authorization given by the shareholders' general meeting to the board of directors of the Company (the “**Board**”) was approved at the annual general meeting of the Company held on 22 June 2017, pursuant to which, the Board has been authorized to issue debt financing instruments with a balance of not exceeding 350% of the net capital of the Company.

The Board is pleased to announce that, in accordance with the above authorization, the Company has completed the non-public issuance of 2020 subordinated bonds (first tranche) (the “**Subordinated Bonds**”) on 14 January 2020. The issue size of the Subordinated Bonds is RMB5 billion with the nominal value and the issue price of RMB100 per unit. The Subordinated Bonds consist of two types, of which the first type has a term of two years (the “**Two-year Subordinated Bonds**”) and the second type has a term of three years (the “**Three-year Subordinated Bonds**”). The final issue size of the Two-year Subordinated Bonds is RMB1 billion with a final coupon rate of 3.65%, and the final issue size of the Three-year Subordinated Bonds is RMB4 billion with a final coupon rate of 3.75%. The proceeds from the issuance of the Subordinated Bonds will be used to supplement the working capital or repay the interest-bearing debts of the Company.

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

Beijing, the PRC
15 January 2020

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, 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.