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

ANNOUNCEMENT

POLL RESULTS OF THE AGM, THE A SHARE CLASS MEETING AND THE H SHARE CLASS MEETING ELECTION OF INDEPENDENT DIRECTOR AND DISTRIBUTION OF 2019 FINAL DIVIDEND

The Board wishes to announce that the AGM, the A Share Class Meeting and the H Share Class Meeting were held on Monday, 29 June 2020. Resolutions No. 1 to No. 11 and No. 20 to No. 21 proposed at the AGM and resolutions proposed at the H Share Class Meeting were duly passed, but resolutions No. 12 to No. 19 proposed at the AGM and resolutions proposed at the A Share Class Meeting were not passed by the shareholders of the Company.

The 2019 Final Dividend is expected to be paid on Friday, 28 August 2020 to holders of H Shares of the Company.

The board of directors (the “**Board**”) of China Galaxy Securities Co., Ltd. (the “**Company**”) wishes to announce that the annual general meeting (the “**AGM**”), the first A Share class meeting for 2020 (the “**A Share Class Meeting**”) and the first H Share class meeting for 2020 (the “**H Share Class Meeting**”) of the Company were held at Conference Room 1518, Tower C, Corporate Square, 35 Finance Street, Xicheng District, Beijing, the PRC on Monday, 29 June 2020.

The full text of the resolutions is set out in the circular of the Company and the notices of the AGM, the A Share Class Meeting and the H Share Class Meeting dated 14 May 2020. Resolutions No. 1 to No. 11 and No. 20 to No. 21 proposed at the AGM and resolutions proposed at the H Share Class Meeting were duly passed, but resolutions No. 12 to No. 19 proposed at the AGM and resolutions proposed at the A Share Class Meeting were not passed by the shareholders of the Company. The Company will re-submit the proposals in relation to the amendments to its Articles of Association and other internal policies to the shareholders’ general meeting for consideration and approval after making further improvements to such proposals based on the new laws and regulations and regulatory requirements.

I. POLL RESULTS AT THE AGM

As at the date of the AGM, shareholders holding a total of 10,137,258,757 shares (including 6,446,274,124 A Shares and 3,690,984,633 H Shares), representing 100% of the total issued shares of the Company, were entitled to attend and vote on the resolutions proposed at the AGM. No shareholders were required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) to abstain from voting or voting in favour of any of the resolutions proposed at the AGM. Shareholders and authorized proxies holding a total of 5,927,757,867 shares, representing approximately 58,474959% of the total issued shares of the Company, attended the AGM.

Total number of shareholders and authorized proxies attending the AGM	16
including: number of holders of A Shares	14
number of holders of H Shares	2
Total number of shares with voting rights	5,927,757,867
including: total number of shares held by holders of A Shares	5,176,721,962
total number of shares held by holders of H Shares	751,035,905
Percentage to the total number of shares with voting rights (%)	58.474959
including: percentage of shares held by holders of A Shares (%)	51.066290
percentage of shares held by holders of H Shares (%)	7.408669

The poll results in respect of the resolutions proposed at the AGM are as follows:

Resolutions	Type of shareholders	For		Against		Abstain		
		No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	
As ordinary resolutions								
1	To consider and approve the report of the board of directors of the Company for 2019	Holders of A Shares	5,176,717,462	99.999913	4,500	0.000087	0	0.000000
		Holders of H Shares	742,833,405	98.907842	2,917,000	0.388397	5,285,500	0.703761
		Total	5,919,550,867	99.861550	2,921,500	0.049285	5,285,500	0.089165
The resolution was duly passed as an ordinary resolution.								
2	To consider and approve the report of the supervisory committee of the Company for 2019	Holders of A Shares	5,176,717,161	99.999907	4,501	0.000087	300	0.000006
		Holders of H Shares	742,833,405	98.907842	2,917,000	0.388397	5,285,500	0.703761
		Total	5,919,550,566	99.861545	2,921,501	0.049285	5,285,800	0.089170
The resolution was duly passed as an ordinary resolution.								
3	To consider and approve the 2019 annual report of the Company	Holders of A Shares	5,176,717,462	99.999913	4,500	0.000087	0	0.000000
		Holders of H Shares	742,833,405	98.907842	2,917,000	0.388397	5,285,500	0.703761
		Total	5,919,550,867	99.861550	2,921,500	0.049285	5,285,500	0.089165
The resolution was duly passed as an ordinary resolution.								

Resolutions	Type of shareholders	For		Against		Abstain	
		No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)
4 To consider and approve the final accounts report of the Company for 2019	Holders of A Shares	5,176,717,462	99.999913	4,500	0.000087	0	0.000000
	Holders of H Shares	742,833,405	98.907842	2,917,000	0.388397	5,285,500	0.703761
	Total	5,919,550,867	99.861550	2,921,500	0.049285	5,285,500	0.089165
The resolution was duly passed as an ordinary resolution.							
5 To consider and approve the profit distribution plan of the Company for 2019	Holders of A Shares	5,176,714,062	99.999847	7,900	0.000153	0	0.000000
	Holders of H Shares	751,035,905	100.000000	0	0.000000	0	0.000000
	Total	5,927,749,967	99.999867	7,900	0.000133	0	0.000000
The resolution was duly passed as an ordinary resolution.							
6 To consider and approve the capital expenditure budget of the Company for 2020	Holders of A Shares	5,172,228,073	99.913190	4,493,889	0.086810	0	0.000000
	Holders of H Shares	291,376,235	38.796579	459,462,170	61.177124	197,500	0.026297
	Total	5,463,604,308	92.169829	463,956,059	7.826839	197,500	0.003332
The resolution was duly passed as an ordinary resolution.							
7 To consider and approve the appointment of the external auditors of the Company for 2020	Holders of A Shares	5,176,698,462	99.999546	23,500	0.000454	0	0.000000
	Holders of H Shares	719,567,663	95.810022	29,074,122	3.871202	2,394,120	0.318776
	Total	5,896,266,125	99.468741	29,097,622	0.490871	2,394,120	0.040388
The resolution was duly passed as an ordinary resolution.							
8 To consider and approve the remuneration plan for Mr. CHEN Gongyan for 2018	Holders of A Shares	5,176,714,061	99.999847	7,900	0.000153	1	0.000000
	Holders of H Shares	750,878,905	99.979096	0	0.000000	157,000	0.020904
	Total	5,927,592,966	99.997218	7,900	0.000133	157,001	0.002649
The resolution was duly passed as an ordinary resolution.							
9 To consider and approve the remuneration plan for Ms. CHEN Jing for 2018	Holders of A Shares	5,176,683,061	99.999249	38,900	0.000751	1	0.000000
	Holders of H Shares	750,878,905	99.979096	0	0.000000	157,000	0.020904
	Total	5,927,561,966	99.996695	38,900	0.000656	157,001	0.002649
The resolution was duly passed as an ordinary resolution.							
10 To consider and approve the remuneration plan for Mr. ZHONG Cheng for the first half of 2018	Holders of A Shares	5,176,686,461	99.999314	35,501	0.000686	0	0.000000
	Holders of H Shares	750,878,905	99.979096	0	0.000000	157,000	0.020904
	Total	5,927,565,366	99.996753	35,501	0.000598	157,000	0.002649
The resolution was duly passed as an ordinary resolution.							

Resolutions	Type of shareholders	For		Against		Abstain	
		No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)
11 To consider and approve the election of Mr. LAW Cheuk Kin Stephen as an independent director of the third session of the board of directors of the Company	Holders of A Shares	5,176,717,462	99.999913	4,500	0.000087	0	0.000000
	Holders of H Shares	730,368,405	97.248134	20,667,500	2.751866	0	0.000000
	Total	5,907,085,867	99.651268	20,672,000	0.348732	0	0.000000
The resolution was duly passed as an ordinary resolution.							
12 To consider and approve the amendments to the Procedural Rules of the Shareholders' General Meetings	Holders of A Shares	14,242,158	0.275119	1,868,940	0.036103	5,160,610,864	99.688778
	Holders of H Shares	597,538,922	79.561965	153,496,983	20.438035	0	0.000000
	Total	611,781,080	10.320615	155,365,923	2.620990	5,160,610,864	87.058395
The resolution was not duly passed as an ordinary resolution.							
13 To consider and approve the amendments to the Procedural Rules of the Board of Directors	Holders of A Shares	14,918,412	0.288183	1,192,686	0.023039	5,160,610,864	99.688778
	Holders of H Shares	685,901,762	91.327426	65,134,143	8.672574	0	0.000000
	Total	700,820,174	11.822686	66,326,829	1.118919	5,160,610,864	87.058395
The resolution was not duly passed as an ordinary resolution.							
14 To consider and approve the amendments to the Procedural Rules of the Supervisory Committee	Holders of A Shares	14,918,411	0.288183	1,192,687	0.023039	5,160,610,864	99.688778
	Holders of H Shares	751,035,905	100.000000	0	0.000000	0	0.000000
	Total	765,954,316	12.921485	1,192,687	0.020120	5,160,610,864	87.058395
The resolution was not duly passed as an ordinary resolution.							
15 To consider and approve the amendments to the Working Rules for Independent Directors	Holders of A Shares	14,918,412	0.288183	1,192,686	0.023039	5,160,610,864	99.688778
	Holders of H Shares	749,554,405	99.802739	1,481,500	0.197261	0	0.000000
	Total	764,472,817	12.896492	2,674,186	0.045113	5,160,610,864	87.058395
The resolution was not duly passed as an ordinary resolution.							
16 To consider and approve the amendments to the Administrative Measures for the Connected Transactions	Holders of A Shares	16,106,598	0.311135	4,500	0.000087	5,160,610,864	99.688778
	Holders of H Shares	749,554,405	99.802739	1,481,500	0.197261	0	0.000000
	Total	765,661,003	12.916536	1,486,000	0.025069	5,160,610,864	87.058395
The resolution was not duly passed as an ordinary resolution.							

Resolutions	Type of shareholders	For		Against		Abstain	
		No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)
17 To consider and approve the amendments to the Administrative Measures for External Investment	Holders of A Shares	16,106,598	0.311135	4,500	0.000087	5,160,610,864	99.688778
	Holders of H Shares	749,554,405	99.802739	1,481,500	0.197261	0	0.000000
	Total	765,661,003	12.916536	1,486,000	0.025069	5,160,610,864	87.058395
The resolution was not duly passed as an ordinary resolution.							
18 To consider and approve the amendments to the Administrative Measures for Provision of Guarantees to Third Parties	Holders of A Shares	16,106,598	0.311135	4,400	0.000085	5,160,610,964	99.688780
	Holders of H Shares	749,554,405	99.802739	1,481,500	0.197261	0	0.000000
	Total	765,661,003	12.916536	1,485,900	0.025067	5,160,610,964	87.058397
The resolution was not duly passed as an ordinary resolution.							
As special resolutions							
19 To consider and approve the amendments to the Articles of Association	Holders of A Shares	6,474,867	0.125077	9,636,131	0.186143	5,160,610,964	99.688780
	Holders of H Shares	174,186,669	23.192855	576,849,236	76.807145	0	0.000000
	Total	180,661,536	3.047721	586,485,367	9.893882	5,160,610,964	87.058397
The resolution was not duly passed as a special resolution.							
20 To consider and approve the issuance of perpetual subordinated bonds	Holders of A Shares	5,176,717,462	99.999913	4,400	0.000085	100	0.000002
	Holders of H Shares	751,035,905	100.000000	0	0.000000	0	0.000000
	Total	5,927,753,367	99.999924	4,400	0.000074	100	0.000002
The resolution was duly passed as a special resolution.							
21 To consider and approve the general mandate to issue shares of the Company	Holders of A Shares	5,166,077,651	99.794381	10,644,211	0.205617	100	0.000002
	Holders of H Shares	230,003,065	30.624776	520,875,840	69.354320	157,000	0.020904
	Total	5,396,080,716	91.030721	531,520,051	8.966629	157,100	0.002650
The resolution was duly passed as a special resolution.							

Pursuant to the relevant laws and regulations of the PRC, the Company announces the poll results of holders of A Shares who individually or in aggregate hold less than 5% of the shares of the Company in respect of Resolutions No. 5 and No. 7 to No. 11 proposed at the AGM as follows:

Resolutions		For		Against		Abstain	
		No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)
As ordinary resolutions							
5	To consider and approve the profit distribution plan of the Company for 2019	16,103,198	99.950965	7,900	0.049035	0	0.000000
7	To consider and approve the appointment of the external auditors of the Company for 2020	16,087,598	99.854138	23,500	0.145862	0	0.000000
8	To consider and approve the remuneration plan for Mr. CHEN Gongyan for 2018	16,103,197	99.950959	7,900	0.049035	1	0.000006
9	To consider and approve the remuneration plan for Ms. CHEN Jing for 2018	16,072,197	99.758545	38,900	0.241449	1	0.000006
10	To consider and approve the remuneration plan for Mr. ZHONG Cheng for the first half of 2018	16,075,597	99.779649	35,501	0.220351	0	0.000000
11	To consider and approve the election of Mr. LAW Cheuk Kin Stephen as an independent director of the third session of the board of directors of the Company	16,106,598	99.972069	4,500	0.027931	0	0.000000

II. POLL RESULTS AT THE A SHARE CLASS MEETING

As at the date of the A Share Class Meeting, holders of A Shares holding a total of 6,446,274,124 A Shares, representing 100% of the total issued A Shares of the Company, were entitled to attend and vote on the resolutions proposed at the A Share Class Meeting. No shareholders were required under the Listing Rules to abstain from voting or voting in favour of any of the resolutions proposed at the A Share Class Meeting. Shareholders and authorized proxies holding a total of 5,176,721,962 A Shares, representing approximately 80.305644% of the total issued A Shares of the Company, attended the A Share Class Meeting.

Total number of shareholders and authorized proxies attending the A Share Class Meeting	14
Total number of A Shares with voting rights	5,176,721,962
Percentage to the total number of A Shares with voting rights (%)	80.305644

The poll results in respect of the resolutions proposed at the A Share Class Meeting are as follows:

Resolutions		For		Against		Abstain	
		No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)
As an ordinary resolution							
1	To consider and approve the amendments to the original Article 79 (Article 78 after revision) and the original Article 81 (Article 80 after revision) of the Procedural Rules of the Shareholders' General Meetings	14,242,158	0.275119	1,868,940	0.036103	5,160,610,864	99.688778
The resolution was not duly passed as an ordinary resolution.							
As a special resolution							
2	To consider and approve the amendments to the original Article 135 (Article 138 after revision) and the original Article 137 (Article 140 after revision) of the Articles of Association	6,474,867	0.125077	9,636,231	0.186145	5,160,610,864	99.688778
The resolution was not duly passed as a special resolution.							

III. POLL RESULTS AT THE H SHARE CLASS MEETING

As at the date of the H Share Class Meeting, holders of H Shares holding a total of 3,690,984,633 H Shares, representing 100% of the total issued H Shares of the Company, were entitled to attend and vote on the resolutions proposed at the H Share Class Meeting. No shareholders were required under the Listing Rules to abstain from voting or voting in favour of any of the resolutions proposed at the H Share Class Meeting. Shareholders and authorized proxies holding a total of 752,565,905 H Shares, representing approximately 20.389299% of the total issued H Shares of the Company, attended the H Share Class Meeting.

Total number of shareholders and authorized proxies attending the H Share Class Meeting	2
Total number of H Shares with voting rights	752,565,905
Percentage to the total number of H Shares with voting rights (%)	20.389299

The poll results in respect of the resolutions proposed at the H Share Class Meeting are as follows:

Resolutions		For		Against		Abstain	
		No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)	No. of shares voted	Percentage (%)
As an ordinary resolution							
1	To consider and approve the amendments to the original Article 79 (Article 78 after revision) and the original Article 81 (Article 80 after revision) of the Procedural Rules of the Shareholders' General Meetings	592,221,422	78.693629	160,344,483	21.306371	0	0.000000
The resolution was duly passed as an ordinary resolution.							
As a special resolution							
2	To consider and approve the amendments to the original Article 135 (Article 138 after revision) and the original Article 137 (Article 140 after revision) of the Articles of Association	588,171,922	78.155537	164,393,983	21.844463	0	0.000000
The resolution was duly passed as a special resolution.							

The AGM, the A Share Class Meeting and the H Share Class Meeting were chaired by Mr. CHEN Gongyan, the Chairman of the Board of the Company. All nine directors and all five supervisors of the Company attended the meetings. Certain members of the senior management of the Company also attended the meetings.

The AGM, the A Share Class Meeting and the H Share Class Meeting were convened in accordance with the requirements of the relevant laws and regulations of the PRC and the Articles of Association of the Company, and the poll results are lawful and valid.

Computershare Hong Kong Investor Services Limited (the Company's H Share registrar), two representatives from the Company's shareholders, a supervisor of the Company and a representative from King & Wood Mallesons (the Company's PRC legal adviser) acted as the scrutineers for the vote-taking at the AGM, the A Share Class Meeting and the H Share Class Meeting.

IV. ELECTION OF INDEPENDENT DIRECTOR

As approved by the shareholders of the Company at the AGM, Mr. LAW Cheuk Kin Stephen has been elected as an independent director of the third session of the Board of the Company. At an extraordinary meeting of the Board of the Company held on 29 June 2020, Mr. LAW Cheuk Kin Stephen has been elected as a member of each of the Nomination and Remuneration Committee and the Audit Committee of the Board. The biographical details of Mr. LAW Cheuk Kin Stephen are set out in the announcement of the Company dated 29 March 2020 and the circular of the Company dated 14 May 2020.

V. DISTRIBUTION OF 2019 FINAL DIVIDEND

The resolution on the profit distribution plan of the Company for the year ended 31 December 2019 has been approved at the AGM. The Company will distribute a cash dividend of RMB1,621,961,401.12 (inclusive of tax) for the year ended 31 December 2019 (the "**2019 Final Dividend**"). Based on the Company's total number of issued shares of 10,137,258,757 shares as at 31 December 2019, a cash dividend of RMB1.60 (inclusive of tax and the actual amount distributed may be slightly different due to rounding) for every 10 shares will be distributed. In case of any change in the total number of issued shares of the Company on the record date (namely 14 July 2020) as a result of placing or repurchase, the amount of cash dividend per share will be adjusted accordingly based on the total amount of RMB1,621,961,401.12 (inclusive of tax).

The 2019 Final Dividend is denominated and declared in RMB, and payable in RMB and in HK dollars to holders of A Shares and holders of H Shares, respectively. The actual amount distributed in HK dollars will be calculated based on the average benchmark exchange rate of RMB against HK dollars announced by the People's Bank of China for the five business days prior to the date of the AGM (i.e. RMB0.913276 against HK\$1.00). Accordingly, the 2019 Final Dividend is HK\$0.175193 per H Share (inclusive of tax).

For the purpose of determining the entitlement of holders of H Shares to the 2019 Final Dividend, the H Share register of members of the Company will be closed from Thursday, 9 July 2020 to Tuesday, 14 July 2020 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of H Shares whose names appear on the H Share register of members of the Company on Tuesday, 14 July 2020 are entitled to the 2019 Final Dividend. In order to be entitled to receive the 2019 Final Dividend, 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 Wednesday, 8 July 2020. The last trading day for H Shares of the Company before ex-dividend will be Monday, 6 July 2020, and trading of ex-dividend H Shares will commence on Tuesday, 7 July 2020.

The Company has appointed Bank of China (Hong Kong) Trustees Limited as the receiving agent (the "**Receiving Agent**") in Hong Kong and will pay the declared 2019 Final Dividend to the Receiving Agent for payment to holders of H Shares. It is expected that the Receiving Agent will pay the 2019 Final Dividend on Friday, 28 August 2020 to holders of H Shares whose names appear on the H Share register of members of the Company on Tuesday, 14 July 2020.

As for the distribution of the 2019 Final Dividend to the holders of A Shares, the record date is Tuesday, 14 July 2020, the ex-dividend date and the dividend distribution date are Wednesday, 15 July 2020. The Company will announce separately on the Shanghai Stock Exchange details of the arrangements regarding the distribution of the 2019 Final Dividend to the holders of A Shares.

VI. WITHHOLDING AND PAYMENT OF INCOME TAX

Pursuant to the Notice of the State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348)(《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), dividend received by overseas resident individual shareholders who hold shares issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax according to the items of "interest, dividend and bonus income", which shall be withheld by the withholding agents according to relevant laws. The overseas resident individual shareholders who hold shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax treaties entered into between the countries where they reside and the PRC or the tax arrangements between Mainland and Hong Kong (Macau). The tax rate for dividends under the relevant tax treaties and tax arrangements is 10% in general, and for the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong may withhold individual income tax at the rate of 10% in general when distributing dividends, and are not obligated to file an application. If the tax rate for dividends is not equal to 10%, the following provisions shall apply: (1) for citizens from countries which have entered into tax treaties stipulating a tax rate of lower than 10%, the withholding agents will file applications on their behalf to seek entitlement of the relevant agreed preferential treatments, and upon approval by the competent tax authorities, the excess tax amounts withheld will be refunded; (2) for citizens from countries which have entered into tax treaties stipulating a tax rate of higher than 10% but lower than 20%, the

withholding agents will withhold the individual income tax at the agreed-upon effective tax rate when distributing dividends, and are not obligated to file an application; and (3) for citizens from countries without tax treaties or under other situations, the withholding agents will withhold the individual income tax at a tax rate of 20% when distributing dividends.

Pursuant to the Notice of the State Administration of Taxation on Issues Concerning Withholding the Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to Holders of H Shares who are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897)(《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), a PRC resident enterprise, when distributing dividends for 2008 and for the years afterwards to holders of H Shares who are overseas non-resident enterprises, shall withhold the enterprise income tax at a flat rate of 10%. After receiving the dividends, non-resident enterprise shareholders may, or may entrust an agent or withholding agent to, apply to the competent tax authorities for the entitlement of the preferential tax treatment under the relevant tax treaties or tax arrangements. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate under the tax treaties or tax arrangements will be refunded.

VII. PROFIT DISTRIBUTION TO HONG KONG INVESTORS VIA THE SHANGHAI STOCK CONNECT PROGRAM

For Hong Kong investors (including enterprises and individuals) investing in the Company's A Shares via the Shanghai Stock Connect Program, the 2019 Final Dividend will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such A Shares. The record date, the dividend distribution date and other arrangements for investors via the Shanghai Stock Connect Program will be the same as those for the holders of A Shares of the Company.

The Company will withhold and pay income tax at the rate of 10% on behalf of those investors. For investors via the Shanghai Stock Connect Program who are tax residents of other countries and whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises or individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate under such tax treaty will be refunded.

VIII. PROFIT DISTRIBUTION TO MAINLAND INVESTORS VIA THE HONG KONG STOCK CONNECT PROGRAM

For Mainland investors (including enterprises and individuals) investing in the Company's H Shares via the Hong Kong Stock Connect Program, the Shanghai Branch and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee holding H Shares for investors via the Hong Kong Stock Connect Program, will receive the 2019 Final Dividend distributed by the Company and distribute such 2019 Final Dividend in RMB to the relevant investors of H Shares through its depository and clearing system. The record date, the dividend distribution date and other arrangements for investors via the Hong Kong Stock Connect Program will be the same as those for the holders of H Shares of the Company.

Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) promulgated on 17 November 2014 and the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shenzhen Stock Market and the Hong Kong Stock Market (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)) promulgated on 5 December 2016:

- For Mainland individual investors who invest in the H Shares of the Company via the Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20% in the distribution of the 2019 Final Dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Corporation Limited for tax refund relating to the withholding tax already paid abroad. For Mainland securities investment funds that invest in the H Shares of the Company via the Hong Kong Stock Connect Program, the Company will withhold individual income tax in the distribution of the 2019 Final Dividend pursuant to the above provisions; and
- For Mainland enterprise investors that invest in the H Shares of the Company via the Hong Kong Stock Connect Program, the Company will not withhold income tax in the distribution of the 2019 Final Dividend and the Mainland enterprise investors shall pay the tax on their own.

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

Beijing, the PRC
29 June 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, Ms. LIU Chun and Mr. LAW Cheuk Kin Stephen.