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)

2021 FIRST QUARTERLY REPORT

This announcement is made by China Galaxy Securities Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Listing Rules.

I. IMPORTANT NOTICE

1.1 The board of directors (the "**Board**"), the supervisory committee (the "**Supervisory Committee**"), and the directors (the "**Directors**"), supervisors and senior management officers of the Company warrant that the information contained in this quarterly report is true, accurate, and complete without any false and misleading statements or material omissions, and individually and jointly assume legal liability for the contents of the report.

1.2 All Directors attended the Board meeting to consider this quarterly report.

1.3 Chen Gongyan, person-in-charge of the Company, Wu Chengming, person-in-charge of the accounting affairs and Fan Minfei, person-in-charge of the accounting department (head of accounting), warrant that the financial statements contained in this quarterly report are true, accurate and complete.

1.4 The 2021 first quarterly report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Financial Highlights

Unit: Yuan
Currency: RMB

	As at 31 March 2021	As at 31 December 2020	Change as compared to the end of last year (%)
Total assets	458,362,571,421.36	445,730,215,827.42	2.83
Net assets attributable to shareholders of the company	88,082,988,830.98	81,254,530,272.04	8.40

	Three months ended 31 March 2021	Three months ended 31 March 2020	Change as compared to the same period of last year (%)
Net cash flow from operating activities	9,144,476,447.12	21,111,502,558.03	-56.68
Net cash flow from investment activities	-2,459,985,426.73	-4,603,493,877.16	46.56
Net cash flow from financing activities	-5,769,509,283.35	11,502,627,406.74	N/A

	Three months ended 31 March 2021	Three months ended 31 March 2020	Change as compared to the same period of last year (%)
Operating income	7,579,622,186.24	5,587,610,547.01	35.65
Net profit attributable to shareholders of the company	1,985,123,766.89	1,753,641,667.60	13.20
Net profit attributable to shareholders of the company excluding extraordinary items	2,000,750,342.03	1,757,847,943.96	13.82
Return on weighted average net assets (%)	2.57	2.44	Increased by 0.13 percentage point
Basic earnings per share (Yuan/share)	0.20	0.17	17.65
Diluted earnings per share (Yuan/share)	N/A	N/A	N/A

Extraordinary Items of Gains and Losses and Amount

✓Applicable ☐Not Applicable

Unit: Yuan
Currency: RMB

Items	Three months ended 31 March 2021	Note
Profit/loss on disposal of non-current assets	301,382.63	Mainly due to the profit/loss on disposal of fixed assets
Government subsidies accounted into profit and loss for the current period (except for those closely associated with the normal operations of the Company which were accounted for in certain standard amount or volume in compliance with the requirements of the policies of the State)	600,545.25	Mainly due to operating government subsidies
Other non-operating income and expenses save for the above	-37,866,763.40	Mainly due to provision of estimated liabilities
Effect on non-controlling interests (net of tax)	15,017,967.07	–
Effect on income tax	6,320,293.31	–
Total	-15,626,575.14	

2.2 Total number of shareholders, shareholdings of the top ten shareholders and top ten holders of circulating shares (or shareholders not subject to selling restrictions) as at the end of the reporting period

Unit: Share

Total number of shareholders *(Note 1)* 106,318 shareholders in total

Shareholdings of the Top Ten Shareholders

Name of shareholder (Full name)	Number of shares held as at the end of the period	Percentage (%)	Number of shares subject to selling restrictions	Pledged or frozen: Status of shares	Pledged or frozen: Number of shares	Nature of shareholder
China Galaxy Financial Holdings Company Limited ("**Galaxy Financial Holdings**")	5,186,538,364	51.16	0	Nil	0	State-owned legal person
HKSCC Nominees Limited *(Note 2)*	3,688,215,546	36.38	0	Nil	0	Foreign legal person
China Securities Finance Corporation Limited	84,078,210	0.83	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited *(Note 3)*	61,824,029	0.61	0	Nil	0	Foreign legal person
Bank of Lanzhou Co., Ltd.	41,941,882	0.41	0	Nil	0	Domestic non state-owned legal person
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	30,053,783	0.30	0	Nil	0	Others
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	20,194,982	0.20	0	Nil	0	Others
Zhongshan Financial Investment Holdings Co., Ltd.	19,241,213	0.19	0	Nil	0	State-owned legal person
Joincare Pharmaceutical Industry Group Co., Ltd.	18,979,863	0.19	0	Nil	0	Domestic non state-owned legal person
Jiaxing Highway Investment Co., Ltd.	11,497,828	0.11	0	Nil	0	State-owned legal person

Shareholdings of the Top Ten Shareholders not subject to Selling Restrictions

Name of shareholder	Number of circulating shares not subject to selling restrictions	Class and number of shares: Class	Number of shares
Galaxy Financial Holdings	5,186,538,364	RMB ordinary shares	5,186,538,364
HKSCC Nominees Limited (Note 2)	3,688,215,546	Overseas listed foreign shares	3,688,215,546
China Securities Finance Corporation Limited	84,078,210	RMB ordinary shares	84,078,210
Hong Kong Securities Clearing Company Limited (Note 3)	61,824,029	RMB ordinary shares	61,824,029
Bank of Lanzhou Co., Ltd.	41,941,882	RMB ordinary shares	41,941,882
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	30,053,783	RMB ordinary shares	30,053,783
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	20,194,982	RMB ordinary shares	20,194,982
Zhongshan Financial Investment Holdings Co., Ltd.	19,241,213	RMB ordinary shares	19,241,213
Joincare Pharmaceutical Industry Group Co., Ltd.	18,979,863	RMB ordinary shares	18,979,863
Jiaxing Highway Investment Co., Ltd.	11,497,828	RMB ordinary shares	11,497,828

Explanation on the connected relationship of the shareholders and action in concert among the aforesaid shareholders	The Company is not aware of any connected relationship or any parties acting in concert among the aforesaid shareholders. In particular, the shares held by HKSCC Nominees Limited are H Shares entrusted by overseas investors; the shares held by Hong Kong Securities Clearing Company Limited are A Shares held by overseas investors through Northbound Trading of Shanghai-Hong Kong Stock Connect.
Description on shareholders of preference shares whose voting rights had resumed and their shareholdings	Nil

Note 1: As at the end of the reporting period, there are 106,318 shareholders of the Company, among which 105,618 are holders of A shares and 700 are registered holders of H shares.

Note 2: HKSCC Nominees Limited is the nominee holder on behalf of the non-registered shareholders of the H shares of the Company, which held the H shares on behalf of various customers, including 25,927,500 H shares of the Company held by Galaxy Financial Holdings.

Note 3: Hong Kong Securities Clearing Company Limited is the nominee holder of the A shares of the Company held by the investors of Northbound Trading of Shanghai-Hong Kong Stock Connect.

2.3 As at the end of the reporting period, total number of shareholders of preference shares, shareholdings of the top ten shareholders of preference shares and top ten shareholders of preference shares not subject to selling restrictions

☐Applicable ✓Not Applicable

III. IMPORTANT MATTERS

3.1 Details and reasons for material changes in major items of financial statements and financial indices of the Company

✓Applicable ☐Not Applicable

Unit: Yuan
Currency: RMB

Items	As at 31 March 2021	As at 31 December 2020	Increase/ Decrease (%)	Main reasons
Cash and bank balances	94,949,643,972.37	92,727,553,502.78	2.40	Increase in deposit of customers' funds
Advances to customers	83,506,955,901.95	82,018,447,598.08	1.81	Increase in the scale of financing business
Derivative financial assets	448,123,452.53	869,501,481.76	-48.46	Fluctuations in fair value of derivative instruments
Refundable deposits	13,664,741,423.11	16,194,045,384.14	-15.62	Mainly due to the change in trading margin
Financial assets held under resale agreements	26,169,896,040.66	31,863,071,212.20	-17.87	Mainly due to a decline in dealer-quoted securities repurchase and pledged government bond repurchase
Financial assets held for trading	104,693,074,595.46	92,647,010,128.78	13.00	Mainly due to an increase in investment scale
Other debt investments	57,758,981,629.76	52,130,232,360.70	10.80	Increase in the size of bonds investment
Investment in other equity instruments	28,145,473,222.89	33,868,190,940.87	-16.90	Decrease in investment balances classified as other equity instruments
Right of use assets	1,356,151,549.24	922,537,957.96	47.00	Increase in right of use assets as a result of new leases

Items	As at 31 March 2021	As at 31 December 2020	Increase/ Decrease (%)	Main reasons
Short-term financing payables	38,691,683,335.96	48,286,385,500.98	-19.87	The reduced scale of short-term financing receivables
Derivative financial liabilities	1,120,507,391.39	1,973,411,740.85	-43.22	Fluctuations in fair value of derivative instruments
Financial assets sold under repurchase agreements	97,865,936,233.11	88,113,404,866.42	11.07	Increase in the scale of dealer-quoted repurchase business
Accounts payable to brokerage clients	100,720,777,855.39	97,670,918,638.02	3.12	Increase in customers' funds
Proceeds from underwriting securities received on behalf of customers	60,520,253.86	11,138,610.00	443.34	Change in proceeds from underwriting securities received on behalf of customers arising from investment banking business
Taxes payable	351,988,488.21	569,993,076.19	-38.25	Decrease in withholding of tax deposit on customers' restricted shares
Accounts payable	15,713,384,731.61	11,627,129,675.66	35.14	Increase in settlement funds payable of overseas subsidiaries
Bonds payable	65,533,154,749.32	65,669,418,791.97	-0.21	Basically no change in the size of bonds payable
Lease liabilities	1,338,604,891.79	913,498,354.26	46.54	Increase in lease liabilities as a result of new leases
Deferred income tax liabilities	300,325,646.17	191,231,232.55	57.05	Increase in deferred income tax liabilities due to the change in fair value

Items	Three months ended 31 March 2021	Three months ended 31 March 2020	Increase/ Decrease (%)	Main reasons
Net interest income	1,256,625,823.86	963,229,612.90	30.46	Increase in net interest income from margin financing and securities lending business
Net fee and commission income	2,117,632,025.34	1,987,831,223.37	6.53	Increase in income from handling fee of brokerage business
Other gains	38,398,164.50	6,989,227.52	449.39	Increase in refund of individual tax handling fee
Gains from changes in fair value (losses presented by "-")	-402,926,472.78	205,902,208.29	-295.69	Fluctuations in financial assets held for trading
Foreign exchange gains	21,180,499.45	12,671,290.30	67.15	Effect from change in exchange rate
Other operating incomes	2,790,409,779.58	967,015,957.17	188.56	Increase in income from warehouse receipts of subsidiaries
Gains on disposal of assets	301,382.63	136,023.84	121.57	Increase in income from disposal of fixed assets
Impairment losses of credit	50,723,745.97	24,415,956.11	107.75	Increase in credit impairment losses on stock pledges
Impairment losses of other assets	48,842,734.81	120,273,977.51	-59.39	Decrease in inventory impairment losses on warehouse receipts of subsidiaries
Other operating expenses	2,664,253,312.34	1,000,611,086.84	166.26	Increase in costs from warehouse receipts of subsidiaries

3.2 Analysis and description of the progress, impact and solutions of the important matters

✓Applicable ☐Not Applicable

(1) On 12 January 2021, the Company's office address was relocated from "Tower C, Corporate Square, 35 Finance Street, Xicheng District, Beijing, the PRC" to "Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing, the PRC". The registered address of the Company is not changed.

(2) On 10 February 2021, the "Proposal for Recommendating the Candidates for Directors of the Fourth Session of the Board of China Galaxy Securities Co., Ltd." was considered and approved on an individual basis at the 65th meeting of the third session of the Board of the Company, nominating Mr. Chen Gongyan, Mr. Chen Liang, Mr. Liu Dingping, Mr. Yang Tijun, Ms. Liu Chang, Mr. Liu Zhihong, Mr. Liu Ruizhong, Mr. Wang Zhenjun, Ms. Liu Chun and Mr. Law Chuek Kin Stephen as candidates for Directors of the fourth session of the Board of the Company, which will be submitted to the general meeting for consideration and approval. On the same day, the "Proposal for Recommendating the Candidates for Supervisors of the Fourth Session of the Supervisory Committee of China Galaxy Securities Co., Ltd." was considered and approved on an individual basis at the first extraordinary meeting of the third session of the Supervisory Committee of the Company in 2021, nominating Ms. Chen Jing, Mr. Fan Wenbo and Mr. Tao Libin as candidates for supervisors of the fourth session of the Supervisory Committee of the Company, which will be submitted to the general meeting for consideration and approval.

(3) On 29 March 2021, the Company publicly issued 2021 perpetual subordinated bonds (Tranche 1) of RMB5 billion, with a coupon rate of 4.57%, which will remain unchanged for the first five interest-bearing years. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

(4) On 21 April 2021, the Company publicly issued 2021 perpetual subordinated bonds (Tranche 2) of RMB5 billion, with a coupon rate of 4.30%, which will remain unchanged for the first five interest-bearing years. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.

3.3 Overdue commitments that have not been fulfilled during the reporting period

□Applicable ✓Not Applicable

3.4 Warning and explanation of reasons as to the anticipated loss in accumulated net profit from the beginning of the year to the end of the next reporting period or significant changes of profit as compared with that of the corresponding period of last year

□Applicable ✓Not Applicable

Name of the Company:	China Galaxy Securities Co., Ltd.
Legal Representative:	Chen Gongyan
Date:	29 April 2021

IV. APPENDIX

4.1 Financial Statements

Consolidated Statement of Financial Position
31 March 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	**As at 31 March 2021**	**As at 31 December 2020**
Assets:		
Cash and bank balances	94,949,643,972.37	92,727,553,502.78
Including: Cash held on behalf of customers	79,268,742,110.08	76,851,884,742.29
Clearing settlement funds	19,654,602,052.99	17,583,856,009.46
Including: Customer settlement funds	17,402,418,273.99	12,316,798,684.31
Advances to customers	83,506,955,901.95	82,018,447,598.08
Derivative financial assets	448,123,452.53	869,501,481.76
Refundable deposits	13,664,741,423.11	16,194,045,384.14
Accounts receivable	14,484,992,320.36	12,215,069,756.19
Financial assets held under resale agreements	26,169,896,040.66	31,863,071,212.20
Financial investments:		
Financial assets held for trading	104,693,074,595.46	92,647,010,128.78
Debt investments	5,487,460,873.85	5,789,251,783.64
Other debt investments	57,758,981,629.76	52,130,232,360.70
Investment in other equity instruments	28,145,473,222.89	33,868,190,940.87
Long-term equity investments	1,406,860,840.77	1,308,173,070.69
Investment properties	7,788,375.00	7,837,537.50
Fixed assets	300,428,568.30	303,404,371.42
Construction in progress	27,599,832.48	27,599,832.48
Right of use assets	1,356,151,549.24	922,537,957.96
Intangible assets	555,155,859.57	525,100,703.45
Goodwill	427,322,996.31	426,453,896.27
Deferred tax assets	83,549,147.17	69,192,260.85
Other assets	5,233,768,766.59	4,233,686,038.20
Total assets	**458,362,571,421.36**	**445,730,215,827.42**

Items	As at 31 March 2021	As at 31 December 2020
Liabilities:		
Short-term borrowings	8,345,889,878.23	7,993,492,610.46
Short-term financing instrument payables	38,691,683,335.96	48,286,385,500.98
Due to banks	14,521,137,889.34	15,617,255,567.62
Financial liabilities held for trading	12,343,745,748.23	10,030,747,201.77
Derivative financial liabilities	1,120,507,391.39	1,973,411,740.85
Financial assets sold under repurchase agreements	97,865,936,233.11	88,113,404,866.42
Accounts payable to brokerage clients	100,720,777,855.39	97,670,918,638.02
Proceeds from underwriting securities received on behalf of customers	60,520,253.86	11,138,610.00
Accrued staff costs	3,469,310,728.60	3,714,225,414.95
Tax payable	351,988,488.21	569,993,076.19
Accounts payable	15,713,384,731.61	11,627,129,675.66
Bonds payable	65,533,154,749.32	65,669,418,791.97
Lease liabilities	1,338,604,891.79	913,498,354.26
Deferred tax liabilities	300,325,646.17	191,231,232.55
Other liabilities	9,136,208,678.48	11,339,906,805.81
Total Liabilities	**369,513,176,499.69**	**363,722,158,087.51**
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	10,137,258,757.00	10,137,258,757.00
Other equity instruments	9,924,435,849.07	4,962,171,698.13
Including: Preference shares	–	–
Perpetual bonds	9,924,435,849.07	4,962,171,698.13
Capital reserve	25,227,335,094.87	25,227,335,094.87
Other comprehensive income	257,203,365.44	372,329,921.59
Surplus reserve	6,744,840,189.43	6,744,840,189.43
General risk reserve	11,518,254,832.25	11,509,738,127.73
Retained earnings	24,273,660,742.92	22,300,856,483.29
Total equity attributable to owners (or shareholders' equity) of the Company	**88,082,988,830.98**	**81,254,530,272.04**
Non-controlling interests	766,406,090.69	753,527,467.87
Total owners' equity (or shareholders' equity)	**88,849,394,921.67**	**82,008,057,739.91**
Total liabilities and owners' equity (or shareholders' equity)	**458,362,571,421.36**	**445,730,215,827.42**

Legal Representative: Chen Gongyan	Person-in-charge of accounting affairs: Wu Chengming	Person-in-charge of accounting department: Fan Minfei

The Company's Statement of Financial Position
31 March 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	**As at 31 March 2021**	**As at 31 December 2020**
Assets:		
Cash and bank balances	68,288,265,051.27	68,771,387,276.36
Including: Cash held on behalf of customers	56,960,899,352.67	59,066,190,032.94
Clearing settlement funds	17,131,637,086.92	15,846,583,825.68
Including: Customer settlement funds	11,806,707,452.41	10,593,469,635.72
Advances to customers	78,982,889,800.49	77,993,163,102.21
Derivative financial assets	578,917,089.36	347,911,319.71
Refundable deposits	3,298,446,919.87	3,440,495,252.88
Accounts receivable	294,428,465.81	324,792,691.72
Financial assets held under resale agreements	25,821,358,002.94	31,075,674,445.55
Financial investments:		
Financial assets held for trading	90,588,816,005.99	79,256,178,734.00
Debt investments	4,791,898,492.94	5,078,711,656.61
Other debt investments	57,758,981,629.76	52,130,232,360.70
Investment in other equity instruments	28,145,333,490.72	33,868,045,401.96
Long-term equity investments	9,943,915,668.02	9,943,915,668.02
Fixed assets	245,810,590.75	249,403,561.19
Construction in progress	27,599,832.48	27,599,832.48
Right of use assets	1,142,083,601.09	751,507,625.25
Intangible assets	445,732,061.18	441,221,512.53
Goodwill	223,277,619.51	223,277,619.51
Deferred tax assets	–	–
Other assets	5,097,259,265.96	3,995,078,279.28
Total assets	**392,806,650,675.06**	**383,765,180,165.64**

Items	As at 31 March 2021	As at 31 December 2020
Liabilities:		
Short-term financing instrument payables	38,691,683,335.96	48,286,385,500.98
Due to banks	14,521,137,889.34	15,617,255,567.62
Financial liabilities held for trading	12,274,557,241.38	8,258,576,500.08
Derivative financial liabilities	940,123,840.34	1,019,437,300.54
Financial assets sold under repurchase agreements	97,156,935,916.43	88,079,209,232.03
Accounts payable to brokerage clients	68,965,709,977.34	69,853,813,160.50
Proceeds from underwriting securities received on behalf of customers	60,520,253.86	11,138,610.00
Accrued staff costs	2,835,953,767.10	3,002,990,955.26
Tax payable	197,961,106.94	381,461,498.48
Accounts payable	231,034,511.90	199,221,514.77
Bonds payable	65,533,154,749.32	65,669,418,791.97
Lease liabilities	1,114,096,414.71	730,531,398.36
Deferred tax liabilities	229,515,038.81	127,599,174.59
Other liabilities	4,832,279,391.02	3,908,698,451.68
Total Liabilities	**307,584,663,434.45**	**305,145,737,656.86**
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	10,137,258,757.00	10,137,258,757.00
Other equity instruments	9,924,435,849.07	4,962,171,698.13
Including: Preference shares	–	–
Perpetual bonds	9,924,435,849.07	4,962,171,698.13
Capital reserve	25,006,907,486.61	25,006,907,486.61
Other comprehensive income	250,358,401.41	359,318,177.61
Surplus reserve	6,744,840,189.43	6,744,840,189.43
General risk reserve	11,039,412,981.38	11,039,412,981.38
Retained earnings	22,118,773,575.71	20,369,533,218.62
Total owners' equity (or shareholders' equity)	**85,221,987,240.61**	**78,619,442,508.78**
Total liabilities and owners' equity (or shareholders' equity)	**392,806,650,675.06**	**383,765,180,165.64**

Legal Representative: Chen Gongyan	Person-in-charge of accounting affairs: Wu Chengming	Person-in-charge of accounting department: Fan Minfei

Consolidated Statement of Profit or Loss
January to March of 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
I. Operating income	7,579,622,186.24	5,587,610,547.01
Net interest income	1,256,625,823.86	963,229,612.90
Including: Interest income	3,137,946,981.84	2,495,121,684.36
Interest expenses	1,881,321,157.98	1,531,892,071.46
Net fee and commission income	2,117,632,025.34	1,987,831,223.37
Including: Net fee income from brokerage business	1,877,000,751.45	1,681,870,899.68
Net fee income from investment banking business	102,070,005.81	131,195,005.26
Net fee income from asset management business	127,162,480.62	153,561,394.66
Investment gains	1,758,000,983.66	1,443,835,003.62
Including: Gains from investment in associates and joint ventures	19,723,208.51	15,038,478.38
Gains from derecognition of financial assets measured at amortisation costs (losses presented by "-")	–	-920,631.60
Other gains	38,398,164.50	6,989,227.52
Gains from changes in fair value (losses presented by "-")	-402,926,472.78	205,902,208.29
Foreign exchange gains	21,180,499.45	12,671,290.30
Other operating incomes	2,790,409,779.58	967,015,957.17
Gains from disposal of assets	301,382.63	136,023.84

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
II. Operating expenses	5,049,405,491.01	3,298,590,690.01
Taxes and surcharges	33,485,481.48	33,412,204.02
General and administrative expenses	2,252,100,216.41	2,119,877,465.53
Impairment losses on credits	50,723,745.97	24,415,956.11
Impairment losses on other assets	48,842,734.81	120,273,977.51
Other operating expenses	2,664,253,312.34	1,000,611,086.84
III. Operating profits	2,530,216,695.23	2,289,019,857.00
Add: Non–operating income	798,305.44	777,090.55
Less: Non–operating expense	38,064,523.59	6,267,333.73
IV. Profit before income tax	2,492,950,477.08	2,283,529,613.82
Less: Income tax expense	490,920,588.36	503,162,887.72
V. Profit for the period	2,002,029,888.72	1,780,366,726.10
(I) Categorized by operation continuity		
1. Profit for the period from continuing operations	2,002,029,888.72	1,780,366,726.10
2. Profit for the period from discontinued operation	–	–
(II) Categorized by ownership		
1. Profit for the period attributable to shareholders of the Company	1,985,123,766.89	1,753,641,667.60
2. Non–controlling interests	16,906,121.83	26,725,058.50
VI. Other comprehensive income (net of tax)	-122,956,857.90	123,007,663.46
Other comprehensive income attributable to shareholders of the Company (net of tax)	-118,929,358.89	123,047,439.53
(I) Other comprehensive income that will not be reclassified into profits or losses subsequently	-92,051,304.15	-83,308,091.32

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
1. Changes arising from re-measuring of defined benefit plan	–	–
2. Other comprehensive income not to be reclassified into profit or loss using the equity method	–	–
3. Changes in fair value of other equity instruments investment	-92,051,304.15	-83,308,091.32
(II) Other comprehensive income that will be reclassified into profits or losses subsequently	-26,878,054.74	206,355,530.85
1. Other comprehensive income not to be reclassified into profit or loss using the equity method	–	–
2. Changes in fair value of other debt investments	-24,884,777.57	176,360,952.11
3. Amount of financial assets reclassified into other comprehensive income	–	–
4. Credit impairment provisions for other debt investment	4,173,502.78	1,268,785.65
5. Cash flow hedge reserve	–	-42,161,228.61
6. Exchange differences on translation of foreign currency financial statements	-6,166,779.95	70,887,021.70
Net other comprehensive income attributable to non-controlling interests (net of tax)	-4,027,499.01	-39,776.07
VII. Total comprehensive income	1,879,073,030.82	1,903,374,389.56
Total comprehensive income attributable to the shareholders of the Company	1,866,194,408.00	1,876,689,107.13
Total comprehensive income attributable to non-controlling interests	12,878,622.82	26,685,282.43
VIII. Earnings per share:		
(I) Basic earnings per share (Yuan/share)	0.20	0.17
(II) Diluted earnings per share (Yuan/share)	N/A	N/A

Legal Representative: Chen Gongyan

Person-in-charge of accounting affairs: Wu Chengming

Person-in-charge of accounting department: Fan Minfei

The Company's Statement of Profit or Loss
January to March of 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	**Three months ended 31 March 2021**	**Three months ended 31 March 2020**
I. Operating income	3,791,715,611.96	3,701,363,914.45
Net interest income	965,529,586.51	766,347,573.36
Including: Interest income	2,727,298,671.65	2,208,395,359.41
Interest expenses	1,761,769,085.14	1,442,047,786.05
Net fee and commission income	1,645,185,676.05	1,654,048,988.58
Including: Net fee income from brokerage business	1,534,419,976.59	1,539,191,330.16
Net fee income from investment banking business	90,326,611.21	97,903,304.23
Net fee income from asset management business	–	–
Investment gains	1,540,892,849.77	1,059,505,649.00
Including: Gains from investment in associates and joint ventures	–	–
Gains arising from derecognition of financial assets measured at amortised cost	–	–
Other gains	33,947,378.90	3,782,495.09
Gains from changes in fair value (losses presented by "-")	-398,460,854.81	208,993,717.08
Foreign exchange gains	2,703,464.41	7,240,130.00
Other operating incomes	1,601,735.76	1,264,095.52
Gains from disposal of assets	315,775.37	181,265.82

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
II. Operating expenses	1,647,845,319.99	1,661,027,912.96
Taxes and surcharges	28,773,800.13	28,571,054.08
General and administrative expenses	1,588,918,097.27	1,611,955,658.91
Impairment losses on credits	30,153,422.59	20,501,199.97
III. Operating profits	2,143,870,291.97	2,040,336,001.49
Add: Non–operating income	194,897.29	368,812.87
Less: Non–operating expense	724,439.25	543,103.43
IV. Profit before income tax	2,143,340,750.01	2,040,161,710.93
Less: Income tax expense	390,297,590.18	443,693,438.63
V. Profit for the period	1,753,043,159.83	1,596,468,272.30
(I) Profit for the period from continuing operations	1,753,043,159.83	1,596,468,272.30
(II) Profit for the period from discontinued operation	–	–
VI. Other comprehensive income (net of tax)	-112,762,578.94	94,321,646.44
(I) Other comprehensive income that will not be reclassified into profits or losses subsequently	-92,051,304.15	-83,308,091.32
1. Changes arising from re-measuring of defined benefit plan	–	–
2. Other comprehensive income not to be reclassified into profit or loss using the equity method	–	–
3. Changes in fair value of other equity instruments investment	-92,051,304.15	-83,308,091.32
4. Changes in the fair value of the company’s own credit risk	–	–

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
(II) Other comprehensive income that will be reclassified into profits or losses subsequently	-20,711,274.79	177,629,737.76
1. Other comprehensive income not to be reclassified into profit or loss using the equity method	–	–
2. Changes in fair value of other debt investments	-24,884,777.57	176,360,952.11
3. Amount of financial assets reclassified into other comprehensive income	–	–
4. Credit impairment provisions for other debt investment	4,173,502.78	1,268,785.65
5. Cash flow hedge reserve	–	–
6. Exchange differences on translation of foreign currency financial statements	–	–
VII. Total comprehensive income	1,640,280,580.89	1,690,789,918.74
VIII. Earnings per share:		
(I) Basic earnings per share (Yuan/share)	N/A	N/A
(II) Diluted earnings per share (Yuan/share)	N/A	N/A

Legal Representative: Chen Gongyan	Person-in-charge of accounting affairs: Wu Chengming	Person-in-charge of accounting department: Fan Minfei

Consolidated Statement of Cash Flows
January to March of 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
I. Cash flows from operating activities:		
Cash received from interests, fees and commissions	6,523,106,911.02	6,108,709,940.62
Net decrease in advances to customers	–	247,456,722.18
Net increase in repurchase businesses	15,390,740,400.80	20,069,421,577.12
Net cash received from brokerage clients	3,100,216,257.06	9,978,510,225.61
Cash received from other operating activities	10,599,967,691.14	9,134,238,034.69
Sub-total of cash inflows from operating activities	35,614,031,260.02	45,538,336,500.22
Net increase in financial assets and liabilities held for trading and derivative financial instruments	10,732,627,383.88	14,834,640,359.14
Net decrease in due to banks	1,050,000,000.00	–
Net increase in advances to customers	1,329,220,370.89	–
Cash for the payment of interests, fees and commissions	2,058,645,496.61	1,118,997,091.68
Cash payments for employees	2,136,191,909.65	1,855,071,431.07
Cash paid for taxes	660,095,154.22	673,724,490.94
Cash paid for other operating activities	8,502,774,497.65	5,944,400,569.36
Sub-total of cash outflows from operating activities	26,469,554,812.90	24,426,833,942.19
Net cash flow from operating activities	9,144,476,447.12	21,111,502,558.03

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
II. Cash flows from investing activities:		
Cash received from gains on investments	1,103,514,445.09	308,159,827.70
Net increase in cash from acquisition or disposal of debt investment	336,824,478.03	764,061,047.89
Net increase in cash from acquisition or disposal of other equity instruments investment	5,656,959,046.40	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	934,846.41	4,104,799.16
Cash received from other investing activities	2,552,081,500.00	6,018,331,607.61
Sub-total of cash inflows from investing activities	9,650,314,315.93	7,094,657,282.36
Cash paid for investments	78,964,212.45	3,300,000.00
Net decrease in cash from acquisition or disposal of other debt investment	5,624,799,570.55	9,079,865,170.93
Net decrease in cash from acquisition or disposal of other equity instruments investment	–	2,484,255,548.31
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	119,796,036.61	130,730,440.28
Cash paid for other investing activities	6,286,739,923.05	–
Sub-total of cash outflows from investing activities	12,110,299,742.66	11,698,151,159.52
Net cash flows from investing activities	-2,459,985,426.73	-4,603,493,877.16

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
III. Cash flows from financing activities:		
Cash received from issuance of perceptual bonds	4,962,264,150.94	–
Cash received from consolidation of structured entities	–	20,043,530.51
Cash received from borrowings	355,509,191.62	49,704,264.14
Cash received from issuance of bonds payable and long-term income rights certificates	9,476,470,000.00	15,130,070,000.00
Cash received from issuance of short-term financing notes and short-term income rights certificates	18,885,020,000.00	19,767,010,000.00
Sub-total of cash inflows from financing activities	33,679,263,342.56	34,966,827,794.65
Cash paid for consolidation of structured entities	71,356,195.83	34,566,964.48
Cash paid for debt repayment	37,440,760,000.00	22,062,591,320.95
Cash paid for dividend and profit distribution or interest payment	1,757,531,210.00	1,367,042,102.48
Cash paid for other financing activities	179,125,220.08	–
Sub-total of cash outflows from financing activities	39,448,772,625.91	23,464,200,387.91
Net cash flows from financing activities	-5,769,509,283.35	11,502,627,406.74
IV. Effect of changes in foreign exchange rates on cash and cash equivalents	13,076,740.49	39,477,238.30
V. Net increase in cash and cash equivalents	928,058,477.53	28,050,113,325.91
Add: Balance of cash and cash equivalents at the beginning of the period	94,127,262,119.01	70,916,867,149.75
VI. Cash and cash equivalents at the end of the period	95,055,320,596.54	98,966,980,475.66

Legal Representative: Chen Gongyan	Person-in-charge of accounting affairs: Wu Chengming	Person-in-charge of accounting department: Fan Minfei

The Company's Statement of Cash Flows
January to March of 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
I. Cash flows from operating activities:		
Cash received from interests, fees and commissions	4,966,124,747.11	4,772,134,569.74
Net increase in repurchase businesses	14,277,454,265.53	19,707,566,211.40
Net cash received from brokerage clients	–	10,822,911,891.82
Cash received from other operating activities	3,170,722,236.83	696,257,406.37
Sub-total of cash inflows from operating activities	22,414,301,249.47	35,998,870,079.33
Net increase in financial assets and liabilities held for trading and derivative financial instruments	8,172,631,340.99	13,673,078,190.09
Net decrease in due to banks	1,050,000,000.00	–
Net increase in advances to customers	819,926,450.20	995,613,479.53
Net decrease in amount from brokerage clients	837,746,143.47	–
Cash paid for interests, fees and commission	1,344,073,037.55	806,154,664.68
Cash payments for employees	1,650,961,583.14	1,387,250,544.27
Cash paid for taxes	506,892,692.17	604,271,623.96
Cash paid for other operating activities	2,103,547,773.62	523,444,674.91
Sub-total of cash outflows from operating activities	16,485,779,021.14	17,989,813,177.44
Net cash flows from operating activities	5,928,522,228.33	18,009,056,901.89

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
II. Cash flows from investing activities:		
Cash received from gains on investments	966,551,919.71	256,849,400.31
Net increase in cash from acquisition or disposal of debt investment	299,754,932.58	63,287,357.70
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	573,722.41	370,634.18
Net increase in cash from acquisition or disposal of other equity instruments investment	5,603,779,641.78	–
Sub-total of cash inflows from investing activities	6,870,660,216.48	320,507,392.19
Cash paid for investments	–	3,300,000.00
Net decrease in cash from acquisition or disposal of other debt investments	5,565,248,668.22	9,120,248,288.48
Net decrease in cash from acquisition or disposal of other equity instruments investment	–	2,484,266,857.49
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	60,193,204.43	21,421,083.42
Cash paid for other investing activities	45,247,488.86	2,318,200.00
Sub-total of cash outflows from investing activities	5,670,689,361.51	11,631,554,429.39
Net cash flows from investing activities	1,199,970,854.97	-11,311,047,037.20

Items	Three months ended 31 March 2021	Three months ended 31 March 2020
III. Cash flows from financing activities:		
Cash received from issuance of perpetual bonds	4,962,264,150.94	–
Cash received from issuance of long-term corporate bonds and long-term income rights certificates	9,476,470,000.00	15,130,070,000.00
Cash received from issuance of short-term corporate bonds and short-term income rights certificates	18,885,020,000.00	19,767,010,000.00
Sub-total of cash inflows from financing activities	33,323,754,150.94	34,897,080,000.00
Cash paid for debt repayment	37,440,760,000.00	21,469,210,000.00
Cash paid for dividend and profit distribution or interest payment	1,654,757,993.96	1,417,126,490.59
Cash paid for other financing activities	150,650,250.60	4,956,081.36
Sub-total of cash outflows from financing activities	39,246,168,244.56	22,891,292,571.95
Net cash flows from financing activities	-5,922,414,093.62	12,005,787,428.05
IV. Effect of changes in foreign exchange rates on cash and cash equivalents	8,618,258.18	24,444,826.31
V. Net increase in cash and cash equivalents	1,214,697,247.86	18,728,242,119.05
Add: Balance of cash and cash equivalents at the beginning of the period	83,884,900,779.60	64,374,434,866.30
VI. Cash and cash equivalents at the end of the period	85,099,598,027.46	83,102,676,985.35

Legal Representative: Chen Gongyan	Person-in-charge of accounting affairs: Wu Chengming	Person-in-charge of accounting department: Fan Minfei

4.2 Information related to the adjustment to the financial statements at the beginning of the year in respect of the first implementation of the New Leasing Standards since 2021

☐Applicable ✓Not Applicable

4.3 Explanation for the retrospective adjustment to previous comparable data in respect of the first implementation of the New Lease Standards since 2021

☐Applicable ✓Not Applicable

4.4 Audit reports

☐Applicable ✓Not Applicable

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

Beijing, the PRC
29 April 2021

As at the date of this announcement, the executive Directors 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.