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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)

2021 THIRD QUARTERLY REPORT

This announcement is made by China Galaxy Securities Co., Ltd. (the "**Company**") 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. The board of directors (the "**Board**"), the supervisory committee (the "**Supervisory Committee**"), the directors (the "**Directors**"), the supervisors (the "**Supervisors**") and the senior management officers of the Company warrant that the information contained in this quarterly report is true, accurate, and complete without any false information, misleading statements or material omissions, and individually and jointly accept legal responsibility for the contents of this report.

2. The person-in-charge of the Company, the person-in-charge of the accounting affairs and the 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.

3. All Directors of the Company attended the meeting of the Board for reviewing and considering this quarterly report.

4. The 2021 third quarterly financial statements of the Company have not been audited.

II. MAJOR FINANCIAL DATA

(I) Major Accounting Data and Financial Indicators

Unit: Yuan
Currency: RMB

Items	During the reporting period	Increase/Decrease for the reporting period as compared with the same period of last year (%)	From the beginning of the year to the end of the reporting period	Increase/Decrease for the period from the beginning of the year to the end of the reporting period as compared with the same period of last year (%)
Operating income	10,963,209,880.83	59.65	26,102,972,051.11	44.37
Net profit attributable to shareholders of the Company	3,145,750,500.23	49.93	7,400,639,134.02	30.97
Net profit attributable to shareholders of the Company excluding non-recurring gains or losses	3,147,667,027.26	49.76	7,444,768,199.77	30.77
Net cash flow generated from operating activities	N/A	N/A	45,132,830,266.46	47.87
Basic earnings per share (Yuan/share)	0.29	38.10	0.69	23.21
Diluted earnings per share (Yuan/share)	N/A	N/A	N/A	N/A
Weighted average return on net asset (%)	3.68	Increased by 0.82 percentage point	8.79	Increased by 1.04 percentage points

	As at the end of the reporting period	As at the end of last year	Increase/Decrease as at the end of the reporting period as compared with the end of last year (%)
Total assets	529,166,037,252.54	445,730,215,827.42	18.72
Owners' equity attributable to shareholders of the Company	96,143,375,412.57	81,254,530,272.04	18.32

Note 1: The "reporting period" refers to the three-month period commencing from 1 July 2021 and ending on 30 September 2021, hereinafter the same;

Note 2: The "end of the reporting period" refers to 30 September 2021, hereinafter the same.

(II) Non-recurring Items of Gains or Losses and Amount

Unit: Yuan
Currency: RMB

Items	Amount for the reporting period	Amount for the period from the beginning of the year to the end of the reporting period	Note
Gains or losses from disposal of non-current assets (including the write-off of the asset impairment provision)	185,745.90	1,275,720.48	Mainly refers to the gains or losses from disposal of fixed assets
Government subsidies included in the profit or loss for the current period (except for those closely associated with the normal operations of the Company which were granted on an on-going basis and accounted for in certain standard amount or volume in compliance with the requirements of the policies of the State)	75,315.00	2,289,315.00	Mainly refers to the non-operating income from government subsidies
Expenditure for donations	-2,384,455.85	-38,405,055.85	
Other non-operating income and expenses save for the above items	-1,167,017.54	-43,158,777.01	
Less: Effect of income tax	-683,475.01	-16,019,310.89	
Effect of non-controlling interests (net of tax)	-690,410.45	-17,850,420.74	
Total	-1,916,527.03	-44,129,065.75	

(III) Particulars of and Reasons for Changes in Major Accounting Data and Financial Indicators

Items	Changes (%)	Main reasons
Operating income (for the reporting period)	59.65	Mainly attributable to the increase in sales revenue from the proprietary business and financing business of the Company and the bulk commodity of subsidiaries
Operating income (for the period from the beginning of the year to the end of the reporting period)	44.37	Mainly attributable to the increase in sales revenue from the proprietary business and financing business of the Company and the bulk commodity of subsidiaries
Net profit attributable to shareholders of the Company (for the reporting period)	49.93	Mainly attributable to the increase in net profit brought by the growth of operating income for the current period
Net profit attributable to shareholders of the Company (for the period from the beginning of the year to the end of the reporting period)	30.97	Mainly attributable to the increase in profits brought by the growth of operating income for the period from January to September this year
Net profit attributable to shareholders of the Company excluding non-recurring gains or losses (for the reporting period)	49.76	Mainly attributable to the increase in net profit brought by the growth of operating income for the current period
Net profit attributable to shareholders of the Company excluding non-recurring gains or losses (for the period from the beginning of the year to the end of the reporting period)	30.77	Mainly attributable to the increase in profits brought by the growth of operating income for the period from January to September this year
Net cash flow generated from operating activities (for the period from the beginning of the year to the end of the reporting period)	47.87	Mainly attributable to the increase in net cash flow from operating activities resulting from the repurchase activities, securities brokerage business and the business related to the provision of advances to customers
Basic earnings per share (for the reporting period)	38.10	Mainly attributable to the increase in net profit attributable to shareholders of the Company for the current period

Items	As at the end of the reporting period	As at the end of last year	Changes (%)	Main reasons
Clearing settlement funds	25,954,063,770.46	17,583,856,009.46	47.60	The increase in clearing settlement funds of customers
Refundable deposits	22,022,179,525.87	16,194,045,384.14	35.99	The increase in margin deposits from customers
Financial assets held under resale agreements	20,426,745,711.21	31,863,071,212.20	-35.89	The decrease in the scale of pledged government bond repurchase and stock pledge repurchase
Other debt investments	76,365,115,386.51	52,130,232,360.70	46.49	The increase in investment scale of bonds
Right-of-use assets	1,359,610,793.08	922,537,957.96	47.38	The addition of lease of new space in the headquarters of the Company
Other assets	6,514,442,143.67	4,233,686,038.20	53.87	The increase in performance bond for over-the-counter business
Short-term financing instrument payables	27,354,405,661.19	48,286,385,500.98	-43.35	Mainly due to the decrease in scale of short-term corporate bonds and short-term beneficiary certificates
Derivative financial liabilities	2,951,689,847.74	1,973,411,740.85	49.57	Mainly due to the increase in business scale of options and income swaps and the impacts of relevant changes in fair value
Financial assets sold under repurchase agreements	130,684,850,415.41	88,113,404,866.42	48.31	The increase in scale of gold swap and the pledged business sold under repurchase agreements

Items	As at the end of the reporting period	As at the end of last year	Changes (%)	Main reasons
Funds payable to securities Issuers	29,999,992.50	11,138,610.00	169.33	The funds payable to securities issuers incurred from the investment banking business
Accounts payable	16,900,912,987.15	11,627,129,675.66	45.36	The increase in accounts payable for margin financing business and settlement funds payable by overseas subsidiaries
Lease liabilities	1,354,209,517.73	913,498,354.26	48.24	The addition of lease of new space in the headquarters of the Company
Deferred tax liabilities	853,094,116.41	191,231,232.55	346.11	Mainly due to the impacts of changes in value of financial instruments
Other equity instruments	14,886,416,981.18	4,962,171,698.13	200.00	The increase in the issuance scale of perpetual bonds
Other comprehensive income	843,118,229.75	372,329,921.59	126.44	The impacts of changes in value of other debt investments and other equity instruments

Items	From the beginning of the year to the end of the reporting period	The same period of last year	Changes (%)	Main reasons
Net interest income	4,125,790,629.42	3,150,422,291.53	30.96	Mainly due to the increase in relevant interest income on margin financing and securities lending and other debt investment business resulting from their expansion of scale
Other income	62,584,840.73	25,061,622.64	149.72	Mainly due to the increase in refund of the handling fees for withholding and payment of individual income tax
Gains from changes in fair value	518,949,067.02	48,680,961.04	966.02	The increase in scale of financial investments and the impacts of changes in value
Foreign exchange gains	30,712,028.59	12,446,509.75	146.75	The effect of foreign exchange rate changes
Other operating income	10,027,358,217.27	4,431,180,656.65	126.29	The increase in sales revenue from bulk commodity of subsidiaries
Gains from disposal of assets	1,275,720.48	5,733,089.52	-77.75	The decrease in gains from disposal of fixed assets
Impairment losses on credits	-51,160,283.29	108,161,492.06	N/A	The reversal of impairment losses on credits from stock pledge business and bond investments
Other asset impairment losses	2,148,699.60	23,866,646.45	-91.00	The reversal of allowances for price decrease of inventories

Items	From the beginning of the year to the end of the reporting period	The same period of last year	Changes (%)	Main reasons
Other operating expenses	9,563,641,250.63	4,464,023,874.55	114.24	The increase in sales costs of bulk commodity of subsidiaries
Non-operating income	3,435,244.90	7,762,489.03	-55.75	The decrease in income from government subsidies
Other comprehensive income (net of tax)	449,191,175.11	-723,375,683.47	N/A	Mainly due to the changes in fair value of other debt investments and investments in other equity instruments
Net cash flow generated from financing activities	-4,847,512,508.50	31,954,638,077.75	N/A	Mainly due to the decrease in net cash flow from financing activities resulting from the decrease in cash received from issuance of short-term bonds and short-term beneficiary certificates

III. INFORMATION OF THE SHAREHOLDERS

(I) Total Number of Ordinary Shareholders and the Number of Preferred Shareholders with Restored Voting Rights and the Shareholding of Top Ten Shareholders

Unit: share

Total number of ordinary shareholders as at the end of the reporting period (Note 1)	**98,959**	**Total number of preferred shareholders with restored voting rights as at the end of the reporting period (if any)**	**0**

Shareholding of Top Ten Shareholders

Name of shareholder	Nature of shareholder	Number of shares held	Percentage (%)	Number of shares subject to selling restrictions	Pledged, marked or frozen: Status of shares	Pledged, marked or frozen: Number of shares
China Galaxy Financial Holdings Company Limited ("**Galaxy Financial Holdings**")	State-owned legal person	5,186,538,364	51.16	0	Nil	0
HKSCC Nominees Limited (Note 2)	Overseas legal person	3,688,361,546	36.38	0	Nil	0
China Securities Finance Corporation Limited	State-owned legal person	84,078,210	0.83	0	Nil	0
Hong Kong Securities Clearing Company Limited (Note 3)	Overseas legal person	52,795,266	0.52	0	Nil	0
Bank of Lanzhou Co., Ltd.	Domestic non-state-owned legal person	41,941,882	0.41	0	Nil	0
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	Others	26,256,683	0.26	0	Nil	0
Joincare Pharmaceutical Industry Group Co., Ltd.	Domestic non-state-owned legal person	18,979,863	0.19	0	Nil	0
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	Others	16,700,082	0.16	0	Nil	0
Jiaxing Highway Investment Co., Ltd.	State-owned legal person	11,497,828	0.11	0	Nil	0
China Everbright Bank Company Limited – Springs Strategic Optimal Hybrid Securities Investment Fund (匯泉策略優選混合型證券投資基金)	Others	10,699,919	0.11	0	Nil	0

Shareholding of 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 of shares	Number of shares
Galaxy Financial Holdings	5,186,538,364	RMB ordinary shares	5,160,610,864
		Overseas listed foreign shares	25,927,500
HKSCC Nominees Limited (Note 2)	3,688,361,546	Overseas listed foreign shares	3,688,361,546
China Securities Finance Corporation Limited	84,078,210	RMB ordinary shares	84,078,210
Hong Kong Securities Clearing Company Limited (Note 3)	52,795,266	RMB ordinary shares	52,795,266
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	26,256,683	RMB ordinary shares	26,256,683
Joincare Pharmaceutical Industry Group Co., Ltd.	18,979,863	RMB ordinary shares	18,979,863
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	16,700,082	RMB ordinary shares	16,700,082
Jiaxing Highway Investment Co., Ltd.	11,497,828	RMB ordinary shares	11,497,828
China Everbright Bank Company Limited – Springs Strategic Optimal Hybrid Securities Investment Fund (匯泉策略優選混合型證券投資基金)	10,699,919	RMB ordinary shares	10,699,919

Description of the associated relationship of or action in concert among the aforesaid shareholders	The Company is not aware of any associated/connected relationship of 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 Shanghai Stock Connect.
Description of the participation of top ten shareholders and top ten shareholders not subject to selling restrictions in the margin financing and securities lending and margin and securities refinancing business (if any)	Nil

Note 1: As at the end of the reporting period, there are 98,959 shareholders of the Company, among which 98,277 are holders of A shares and 682 are registered holders of H shares.

Note 2: HKSCC Nominees Limited is the nominee holder of shares held by 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 through Shanghai Stock Connect.

IV. OTHER REMINDERS

1. On 30 August 2021, after the review and consideration by the Board, the Company proposed the public issuance of A share convertible corporate bonds in an aggregate amount of not exceeding RMB11.0 billion (including RMB11.0 billion). On 19 October 2021, the resolution in relation to the aforesaid issuance was considered and approved at the first extraordinary general meeting of 2021 of the Company and the Board was authorized to deal with the matters in relation to the public issuance of A share convertible corporate bonds. For further details, please refer to the announcements of the Company dated 30 August 2021 and 19 October 2021 and the circular of the Company dated 30 September 2021.

2. On 30 August 2021, after the review and consideration by the Board, it was agreed that Mr. Li Xianglin ceased to be a member of the executive committee and the vice president of the Company due to the change of work arrangements.

3. On 30 August 2021, after the review and consideration by the Board, it was agreed that Mr. Wu Jianhui ceased to be a member of the executive committee and the chief risk officer of the Company due to the change of work arrangements.

4. Progress of the application for arbitration and enforcement in relation to the stock pledge of Yang Zhenhua (please refer to the relevant information as set out in the 2020 annual report of the Company for details of this case). In December 2020, Beijing First Intermediate People's Court ruled that the enforcement of notarized debt instrument in relation to the Company and Yang Zhenhua, being the person subject to enforcement, and the arbitration in relation to the Company and Yang Zhenhua, being the respondent, were terminated. In January 2021, in order to accelerate the recovery of debts, the Company submitted an application for resumption of enforcement in respect of each of these two cases to Beijing First Intermediate People's Court. During the reporting period, the Company received a total of RMB98,186,983.26 deducted from the amount under the name of the person subject to enforcement by Beijing First Intermediate People's Court. The remaining principal, interests and liquidated damages are still in the process of enforcement.

5. On 8 October 2021, the Company completed the procedures for the change of its registered address. Its registered address has been changed to No. 101, 7/F-18/F, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing. The Company has completed updating relevant information in the Articles of Association accordingly and has obtained the renewed business license issued by the Beijing Municipal Administration for Market Regulation. For further details, please refer to the announcement of the Company dated 12 October 2021.

6. On 19 October 2021, Ms. Qu Yanping was elected as a Supervisor of the fourth session of the Supervisory Committee at the first extraordinary general meeting of 2021 of the Company; meanwhile, due to the change of work arrangements, Ms. Chen Jing ceased to be the chairman of the Supervisory Committee and a Supervisor.

V. QUARTERLY FINANCIAL STATEMENTS

(I) Type of Audit Opinion

☐Applicable ✓Not Applicable

(II) Financial Statements

Consolidated Balance Sheet
30 September 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	As at 30 September 2021	As at 31 December 2020
Assets:		
Cash and bank balances	106,356,096,364.29	92,727,553,502.78
Including: Cash held on behalf of customers	89,985,129,472.34	76,851,884,742.29
Clearing settlement funds	25,954,063,770.46	17,583,856,009.46
Including: Customer settlement funds	19,771,677,048.24	12,316,798,684.31
Advances to customers	94,331,904,286.37	82,018,447,598.08
Derivative financial assets	983,002,187.79	869,501,481.76
Refundable deposits	22,022,179,525.87	16,194,045,384.14
Accounts receivable	14,761,109,391.63	12,215,069,756.19
Financial assets held under resale agreements	20,426,745,711.21	31,863,071,212.20

Items	As at 30 September 2021	As at 31 December 2020
Financial investments:		
Financial assets held for trading	119,211,534,802.24	92,647,010,128.78
Debt investments	5,048,382,782.69	5,789,251,783.64
Other debt investments	76,365,115,386.51	52,130,232,360.70
Investments in other equity instruments	32,936,588,361.16	33,868,190,940.87
Long-term equity investments	1,408,984,985.46	1,308,173,070.69
Investment properties	7,690,050.00	7,837,537.50
Fixed assets	386,534,502.37	303,404,371.42
Construction in progress	27,599,832.48	27,599,832.48
Right-of-use assets	1,359,610,793.08	922,537,957.96
Intangible assets	570,192,823.96	525,100,703.45
Goodwill	424,401,854.50	426,453,896.27
Deferred tax assets	69,857,696.80	69,192,260.85
Other assets	6,514,442,143.67	4,233,686,038.20
Total assets	529,166,037,252.54	445,730,215,827.42
Liabilities:		
Short-term borrowings	8,079,430,798.10	7,993,492,610.46
Short-term financing instrument payables	27,354,405,661.19	48,286,385,500.98
Capital borrowed	11,322,383,869.40	15,617,255,567.62
Financial liabilities held for trading	12,606,469,652.49	10,030,747,201.77
Derivative financial liabilities	2,951,689,847.74	1,973,411,740.85
Financial assets sold under repurchase agreements	130,684,850,415.41	88,113,404,866.42
Accounts payable to brokerage customers	124,278,917,311.14	97,670,918,638.02
Funds payable to securities issuers	29,999,992.50	11,138,610.00
Employee remuneration payable	4,141,082,944.65	3,714,225,414.95
Tax payable	535,624,759.34	569,993,076.19
Accounts payable	16,900,912,987.15	11,627,129,675.66
Bonds payable	77,490,727,545.01	65,669,418,791.97
Lease liabilities	1,354,209,517.73	913,498,354.26
Deferred tax liabilities	853,094,116.41	191,231,232.55
Other liabilities	13,565,445,585.54	11,339,906,805.81
Total Liabilities	432,149,245,003.80	363,722,158,087.51

Items	As at 30 September 2021	As at 31 December 2020
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	10,137,258,757.00	10,137,258,757.00
Other equity instruments	14,886,416,981.18	4,962,171,698.13
Including: Preference shares	-	-
Perpetual bonds	14,886,416,981.18	4,962,171,698.13
Capital reserve	25,227,335,094.87	25,227,335,094.87
Other comprehensive income	843,118,229.75	372,329,921.59
Surplus reserve	6,744,840,189.43	6,744,840,189.43
General risk reserve	11,535,548,287.99	11,509,738,127.73
Retained earnings	26,768,857,872.35	22,300,856,483.29
Total owners' equity (or shareholders' equity) attributable to the parent company	96,143,375,412.57	81,254,530,272.04
Non-controlling interests	873,416,836.17	753,527,467.87
Total owners' equity (or shareholders' equity)	97,016,792,248.74	82,008,057,739.91
Total liabilities and owners' equity (or shareholders' equity)	529,166,037,252.54	445,730,215,827.42

Person-in-charge of the Company:	Person-in-charge of accounting affairs:	Person-in-charge of accounting department:
Chen Gongyan	Wu Chengming	Fan Minfei

Consolidated Statement of Profit or Loss
January to September of 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Total operating income	**26,102,972,051.11**	**18,080,979,439.65**
Net interest income	4,125,790,629.42	3,150,422,291.53
Including: Interest income	9,778,265,957.66	7,797,683,034.84
Interest expenses	5,652,475,328.24	4,647,260,743.31
Net fee and commission income	6,885,490,646.76	6,517,052,020.77
Including: Net fee income from brokerage business	6,684,258,243.62	5,615,743,511.03
Net fee income from investment banking business	414,376,472.31	645,679,443.24
Net fee income from asset management business	392,357,218.20	442,320,136.76
Investment gains	4,450,810,900.84	3,890,402,287.75
Including: Gains from investment in associates and joint ventures	38,085,103.38	47,043,476.24
Gains from derecognition of financial assets measured at amortisation costs	17,932,784.14	2,143,151.23
Other income	62,584,840.73	25,061,622.64
Gains from changes in fair value	518,949,067.02	48,680,961.04
Foreign exchange gains	30,712,028.59	12,446,509.75
Other operating income	10,027,358,217.27	4,431,180,656.65
Gains from disposal of assets	1,275,720.48	5,733,089.52

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
II. Total operating expenses	**16,769,418,077.27**	**10,793,312,608.19**
Taxes and surcharges	114,333,787.59	106,878,702.56
General and administrative expenses	7,140,454,622.74	6,090,381,892.57
Impairment losses on credits	-51,160,283.29	108,161,492.06
Other asset impairment losses	2,148,699.60	23,866,646.45
Other operating expenses	9,563,641,250.63	4,464,023,874.55
III. Operating profits	**9,333,553,973.84**	**7,287,666,831.46**
Add: Non–operating income	3,435,244.90	7,762,489.03
Less: Non–operating expense	82,709,762.76	85,807,632.64
IV. Total profits	**9,254,279,455.98**	**7,209,621,687.85**
Less: Income tax expense	1,784,924,875.61	1,501,874,776.72
V. Net profit	**7,469,354,580.37**	**5,707,746,911.13**
(I) Categorized by operation continuity		
1. Net profit from continuing operations	7,469,354,580.37	5,707,746,911.13
2. Net profit from discontinued operations	–	–
(II) Categorized by ownership		
1. Net profit attributable to shareholders of the parent company	7,400,639,134.02	5,650,638,803.29
2. Profit or loss attributable to non-controlling shareholders	68,715,446.35	57,108,107.84

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
VI. Other comprehensive income (net of tax)	**449,191,175.11**	**-723,375,683.47**
Other comprehensive income attributable to shareholders of the Company (net of tax)	478,017,253.16	-726,234,773.10
(I) Other comprehensive income that will not be reclassified into profits or losses subsequently	135,360,133.13	-29,298,835.05
1. Changes arising from remeasurement of defined benefit plan	–	–
2. Other comprehensive income that cannot be transferred into profit or loss under equity method	–	–
3. Changes in fair value of investments in other equity instruments	135,360,133.13	-29,298,835.05
4. Changes in fair value due to enterprise's own credit risk	–	–
(II) Other comprehensive income that will be reclassified into profits or losses subsequently	342,657,120.03	-696,935,938.05
1. Other comprehensive income that can be transferred into profit or loss under equity method	–	4,504,365.01
2. Changes in fair value of other debt investments	462,514,822.89	-561,055,428.37
3. Amount of financial assets reclassified into other comprehensive income	–	–
4. Credit loss provisions for other debt investments	-24,161,761.84	32,031,930.99
5. Cash flow hedge reserve	–	–
6. Exchange differences on translation of foreign currency financial statements	-95,695,941.02	-172,416,805.68
7. Others	–	–
Net other comprehensive income attributable to non-controlling interests (net of tax)	-28,826,078.05	2,859,089.63

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
VII. Total comprehensive income	**7,918,545,755.48**	**4,984,371,227.66**
Total comprehensive income attributable to the shareholders of the Company	7,878,656,387.18	4,924,404,030.19
Total comprehensive income attributable to non-controlling interests	39,889,368.30	59,967,197.47
VIII. Earnings per share:		
(I) Basic earnings per share (Yuan/share)	0.69	0.56
(II) Diluted earnings per share (Yuan/share)	N/A	N/A

Person-in-charge of the Company:	Person-in-charge of accounting affairs:	Person-in-charge of accounting department:
Chen Gongyan	Wu Chengming	Fan Minfei

Consolidated Statement of Cash Flows
January to September of 2021

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan
Currency: RMB
Type of audit: Unaudited

Items	**First three quarters of 2021 (January to September)**	**First three quarters of 2020 (January to September)**
I. Cash flows generated from operating activities:		
Cash received from interests, handling fees and commission	20,683,944,974.60	18,278,581,547.20
Net increase in proceeds from repurchase business	53,944,931,313.15	35,373,861,746.25
Net increase in capital borrowed	–	5,697,000,000.00
Net cash received from brokerage customers	25,997,134,510.69	15,399,361,463.24
Cash received from other operating activities	11,752,482,937.24	11,214,196,966.23
Sub-total of cash inflows from operating activities	112,378,493,735.68	85,963,001,722.92
Net increase in financial assets and liabilities held for trading and derivative financial instruments	21,456,837,206.74	6,162,866,043.26
Net decrease in capital borrowed	4,278,000,000.00	–
Net increase in advances to customers	12,147,396,761.45	27,865,915,197.70
Cash for the payment of interests, handling fees and commission	3,858,549,465.88	3,879,179,074.79
Cash paid to and for employees	4,755,626,009.31	4,133,194,599.96
Cash paid for various taxes	2,750,623,407.41	1,528,728,977.64
Cash paid for other operating activities	17,998,630,618.43	11,871,734,233.17
Sub-total of cash outflows from operating activities	67,245,663,469.22	55,441,618,126.52
Net cash flow generated from operating activities	45,132,830,266.46	30,521,383,596.40

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
II. Cash flows generated from investing activities:		
Cash received from realized investment gains	3,423,334,312.68	1,322,031,033.73
Net decrease in debt investments	755,647,997.77	767,056,300.87
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,387,216.60	3,239,497.59
Net decrease in investments in other equity instruments	1,330,493,530.02	–
Cash received from other investing activities	12,085,593,066.66	10,497,473,843.93
Sub-total of cash inflows from investing activities	17,596,456,123.73	12,589,800,676.12
Cash paid for investments	307,530,578.89	242,724,161.00
Net increase in other debt investments	23,388,695,626.51	30,358,400,765.54
Net increase in investments in other equity instruments	–	10,372,799,808.36
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	397,481,797.75	363,786,081.95
Cash paid for other investing activities	23,133,739,489.24	10,333,481,682.93
Sub-total of cash outflows from investing activities	47,227,447,492.39	51,671,192,499.78
Net cash flow generated from investing activities	-29,630,991,368.66	-39,081,391,823.66

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
III. Cash flows generated from financing activities:		
Cash received from capital contribution	9,924,245,283.05	–
Cash received from capital contribution by non-controlling shareholders of subsidiaries	–	75,432,000.00
Cash received from consolidation of structured entities	–	53,077,185.84
Cash received from borrowings	89,050,111.49	11,756,117,030.27
Cash received from issuance of long-term bonds and long-term beneficiary certificates	29,625,260,000.00	28,608,117,177.29
Cash received from issuance of short-term bonds and short-term beneficiary certificates	39,136,420,000.00	81,827,249,678.07
Sub-total of cash inflows from financing activities	78,774,975,394.54	122,319,993,071.47
Cash paid for consolidation of structured entities	230,144,262.57	–
Cash paid for debt repayment	77,982,835,500.98	85,369,121,320.95
Cash paid for dividend and profit distribution or interest payment	5,032,320,267.52	4,996,233,672.77
Cash paid for other financing activities	377,187,871.97	–
Sub-total of cash outflows from financing activities	83,622,487,903.04	90,365,354,993.72
Net cash flow generated from financing activities	-4,847,512,508.50	31,954,638,077.75

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**-84,758,942.42**	**-124,409,510.24**
V. Net increase in cash and cash equivalents	**10,569,567,446.88**	**23,270,220,340.25**
Add: Balance of cash and cash equivalents at the beginning of the period	94,127,262,119.01	70,916,867,149.75
VI. Balance of cash and cash equivalents at the end of the period	**104,696,829,565.89**	**94,187,087,490.00**

Person-in-charge of the Company:	Person-in-charge of accounting affairs:	Person-in-charge of accounting department:
Chen Gongyan	Wu Chengming	Fan Minfei

(III) Information related to the Implementation of the New Lease Standards for the First Time since 2021 and the Adjustment to the Financial Statements as at the Beginning of the Year in which the First Implementation is Effective

☐Applicable ✓Not Applicable

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

Beijing, the PRC
29 October 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, Mr. YANG Tijun, Ms. LIU Chang, Mr. LIU Zhihong and Mr. JIANG Yuesheng; and the independent non-executive Directors are Mr. LIU Ruizhong, Mr. WANG Zhenjun, Ms. LIU Chun and Mr. LAW Cheuk Kin Stephen.