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)

2022 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.

IMPORTANT NOTICE

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 the 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.

2. Chen Liang, the person-in-charge of the Company, Xue Jun, the person-in-charge of the accounting affairs, and Fan Minfei, the person-in-charge of the accounting department (head of accounting), warrant that the financial information contained in the quarterly report is true, accurate and complete.

3. The 2022 third quarterly financial statements of the Company have not been audited.

I. 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 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 last year (%)
Operating income	9,067,840,493.46	-17.29	27,278,294,613.33	4.50
Net profit attributable to shareholders of the Company	2,114,190,751.77	-32.79	6,440,413,759.99	-12.97
Net profit attributable to shareholders of the Company excluding non-recurring gains or losses	2,110,141,532.40	-32.96	6,433,882,999.96	-13.58
Net cash flow generated from operating activities	N/A	N/A	23,888,499,355.79	-47.07
Basic earnings per share (Yuan/share)	0.20	-31.03	0.59	-14.49
Diluted earnings per share (Yuan/share)	0.18	-37.93	0.56	-18.84
Weighted average return on net asset (%)	2.03	Decreased by 1.65 percentage point	6.23	Decreased by 2.56 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	622,324,167,791.97	560,135,032,623.76	11.10
Owners' equity attributable to shareholders of the Company	103,150,147,604.28	98,955,798,424.87	4.24

Note 1: The "reporting period" refers to the three-month period commencing from 1 July 2022 to 30 September 2022, hereinafter the same.

Note 2: The "end of the reporting period" refers to 30 September 2022, 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	494,137.21	830,938.94	Mainly refers to the gains or losses on 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)	4,029,000.00	13,713,962.26	Mainly refers to the non-operating income from government subsidies
Other non-operating income and expenses save for the above items	931,040.91	-5,631,568.57	Mainly refers to the expenditure for donations
Less: Effect of income tax	1,420,173.25	2,327,080.10	
Effect of non-controlling interests (net of tax)	-15,214.50	55,492.50	
Total	4,049,219.37	6,530,760.03	

Explanation on the identification of non-recurring items of gain or loss set out in the "Explanatory Announcement No. 1 on Information Disclosure for Companies Issuing Their Securities to the Public – Non-recurring Items of Gain or Loss" as recurring items of gain or loss

□Applicable ✓Not Applicable

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

✓Applicable ☐Not Applicable

Item Name	Changes (%)	Main reasons
Net profit attributable to shareholders of the Company for reporting period	-32.79	Mainly due to a decrease in operating income in the third quarter of the year as compared to the same period last year
Net profit attributable to shareholders of the Company excluding non-recurring gains or losses for reporting period	-32.96	Mainly due to a decrease in operating income in the third quarter of the year as compared to the same period last year
Basic earnings per share for reporting period (Yuan/share)	-31.03	Mainly due to a decrease in net profit attributable to shareholders of the Company in the third quarter of the year as compared to the same period last year
Diluted earnings per share for reporting period (Yuan/share)	-37.93	Mainly due to a decrease in net profit attributable to shareholders of the Company in the third quarter of the year as compared to the same period last year
Net cash flow generated from operating activities from the beginning of the year to the end of the reporting period	-47.07	Mainly due to a decrease in net cash flow generated from brokerage and repurchase businesses year on year and an increase in net cash flow from advances to customers year on year

1. Analysis on Changes in Major Items on the Balance Sheet

Unit: Yuan Currency: RMB

Item Name	As at the end of the reporting period	As at the end of last year	Changes (%)	Main reasons
Derivative financial assets	4,535,770,779.27	1,945,906,850.18	133.09	Mainly due to the impacts of increased scale and price fluctuations
Accounts receivable	13,376,602,476.48	10,150,724,670.90	31.78	Mainly due to the change in settlement receivables
Debt investments	3,050,074,183.73	5,269,449,052.82	-42.12	Reduction in the scale of investment
Other debt investments	125,823,656,852.21	81,232,918,495.83	54.89	Increase in the scale of investment
Long-term equity investments	57,878,146.00	30,249,877.00	91.33	Increase in the size of long-term equity investments of subsidiaries
Capital borrowed	9,695,819,116.93	16,127,940,543.20	-39.88	Decrease in scale of capital financed from margin and securities refinancing
Financial liabilities held for trading	36,273,408,898.47	16,583,935,089.21	118.73	Mainly due to the impacts of increased scale and price fluctuations
Funds payable to securities issuers	92,418,718.96	-	N/A	Funds payable to securities issuers generated by investment banking business
Tax payable	411,837,272.77	767,125,717.59	-46.31	Mainly due to a decrease in enterprise income tax payable and withholding individual income tax payable
Accounts payable	14,491,265,492.37	5,301,303,947.49	173.35	Mainly due to an increase in settlement payables
Other comprehensive income	1,345,146,717.53	797,238,628.57	68.73	Mainly due to the impacts of changes in fair value of other debt investments

2. *Analysis on Changes in Major Items on the Income Statement*

Unit: Yuan Currency: RMB

Item Name	From the beginning of the year to the end of the reporting period	The same period last year	Changes (%)	Main reasons
Gains from changes in fair value	735,641,150.86	518,949,067.02	41.76	Mainly due to the impacts of increase in the size of investment in derivative instruments and financial liabilities held for trading and change in valuation
Foreign exchange gains	-7,438,234.91	30,712,028.59	-124.22	The impact of exchange rate changes
Gain on disposal of assets	830,938.94	1,275,720.48	-34.87	Decrease in gain on disposal of fixed assets
Impairment losses on credits	214,693,862.98	-51,160,283.29	N/A	Mainly due to an increase in impairment losses on credits from financing business
Other asset impairment losses	17,742,443.71	2,148,699.60	725.73	Increase in impairment losses on inventories
Other operation expenses	12,522,491,686.04	9,563,641,250.63	30.94	Increased costs due to an increase in the scale of sales of bulk commodity
Non-operating income	17,836,727.92	3,435,244.90	419.23	Increase in non-operating income from government subsidies
Non-operating expenses	9,754,334.23	82,709,762.76	-88.21	Mainly due to a decrease in the expenditures for donations and pending ligitation
Income tax expense	784,182,389.21	1,784,924,875.61	-56.07	Decrease in the amount of taxable income
Profit or loss attributable to non-controlling shareholders	628,241.55	68,715,446.35	-99.09	Mainly due to the impact of the acquisition of minority interests by overseas subsidiaries

3. *Analysis on Changes in Major Items on the Statement of Cash Flows*

Unit:Yuan Currency:RMB

Item Name	From the beginning of the year to the end of the reporting period	The same period last year	Changes(%)	Main reasons
Net cash flow generated from operating activities	23,888,499,355.79	45,132,830,266.46	-47.07	Mainly due to a decrease in net cash flow generated from brokerage and repurchase businesses year on year and an increase in net cash flow from advances to customers year on year
Net cash flow generated from investing activities	-41,885,787,084.06	-29,630,991,368.66	-41.36	Mainly due to an increase in net cash outflow from other debt investments year on year
Net cash flow generated from financing activities	9,309,398,481.22	-4,847,512,508.50	N/A	Mainly due to an increase in net cash flow from issuance of bonds and beneficiary certificates year on year

II. 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	**90,569**	**Total number of preferred shareholders with restored voting rights as at the end of the reporting period (if any)**	**0**

Note: The total number of shareholders includes A Share ordinary shareholders and H Share registered shareholders. As at the end of the reporting period, there were 89,903 A Share ordinary shareholders and 666 H Share registered shareholders.

Shareholding of Top 10 Shareholders

Name of shareholder	Nature of shareholder	Number of shares held	Percentage of shareholding (%)	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	State-owned legal person	5,186,538,364	51.16	0	Nil	0
HKSCC Nominees Limited (Note 1)	Overseas legal person	3,688,365,046	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 2)	Overseas legal person	83,537,556	0.82	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	27,950,183	0.28	0	Nil	0
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	Others	20,945,982	0.21	0	Nil	0
Zhongshan Financial Investment Holdings Co., Ltd.	State-owned legal person	18,232,313	0.18	0	Nil	0
Jiaxing Highway Investment Co., Ltd.	State-owned legal person	11,497,828	0.11	0	Nil	0
Agricultural Bank of China Limited – Invesco Great Wall CSI 300 Enhanced Index Securities Investment Fund	Others	10,313,426	0.10	0	Nil	0

Shareholding of Top 10 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
China Galaxy Financial Holdings Company Limited	5,186,538,364	RMB ordinary shares	5,160,610,864
		Overseas listed foreign shares	25,927,500
HKSCC Nominees Limited (Note 1)	3,688,365,046	Overseas listed foreign shares	3,688,365,046
China Securities Finance Corporation Limited	84,078,210	RMB ordinary shares	84,078,210
Hong Kong Securities Clearing Company Limited (Note 2)	83,537,556	RMB ordinary shares	83,537,556
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	27,950,183	RMB ordinary shares	27,950,183
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	20,945,982	RMB ordinary shares	20,945,982
Zhongshan Financial Investment Holdings Co., Ltd.	18,232,313	RMB ordinary shares	18,232,313
Jiaxing Highway Investment Co., Ltd.	11,497,828	RMB ordinary shares	11,497,828
Agricultural Bank of China Limited – Invesco Great Wall CSI 300 Enhanced Index Securities Investment Fund	10,313,426	RMB ordinary shares	10,313,426

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 10 shareholders and top 10 shareholders not subject to selling restrictions in the margin financing and securities lending and margin and securities refinancing businesses (if any)	Nil

Note 1: 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 2: 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.

III. OTHER REMINDERS

Other significant information regarding the Company's operations during the reporting period should be brought to the attention of investors

✓Applicable ☐Not Applicable

1. Qualification for Market Making Business of Listed Securities

On 16 September 2022, the Company received the "Approval of the Qualification of Market Making and Trading Business of Listed Securities of China Galaxy Securities Co., Ltd. (Zheng Jian Xu Ke [2022] No. 2170)" issued by the China Securities Regulatory Commission (the "**CSRC**"). Pursuant to the requirements of the Securities Law, the Regulations on the Supervision and Administration of Securities Companies, the Tentative Provisions for the Examination and Approval of the Scope of Business of Securities Companies (CSRC Announcement [2020] No. 66) and the Regulations on Pilot Implementation of Market Making Business of Securities Companies on the Science and Technology Innovation Board (CSRC Announcement [2022] No. 32), the CSRC approved the qualification of market making and trading business of listed securities of the Company.

2. Status of the A Share Convertible Corporate Bonds

(1) Utilization of the proceeds from A Share convertible corporate bonds

The net proceeds from the issuance of A Share convertible corporate bonds by the Company (net of issuance expenses) amounted to approximately RMB7.735 billion, the utilization of which as at 30 September 2022 is as follows:

Unit: 100 million Yuan
Currency: RMB

Investment projects financed with the proceeds	Proposed investment amount (net)	Utilized amount as at the end of the reporting period	Unutilized amount as at the end of the reporting period	Expected timeline of full utilization of balance
Investment trading business	30	30	0	–
Capital intermediary business	30	30	0	–
Investment banking business	10	6.59	3.41	By 31 December 2022
Replenishment of other working capital	7.35	7.35	0	–

The Company will utilize the proceeds in accordance with the planned applications as disclosed. For details of the public issuance of the A Share convertible corporate bonds, please refer to the related announcements and circular published by the Company on the websites of the Shanghai Stock Exchange, The Stock Exchange of Hong Kong Limited and the Company, respectively.

(2) Conversion of A Share convertible corporate bonds

The conversion of the A Share convertible corporate bonds issued by the Company commenced on 30 September 2022, and the A Share convertible corporate bonds of RMB64,000 in aggregate were converted to A ordinary shares of the Company in the third quarter of 2022, resulting in 6,403 A Shares, representing 0.000063% of the total issued shares of the Company before the conversion of the A Share convertible corporate bonds. The Company will timely register the change of registered capital in accordance with the relevant regulations. As at 30 September 2022, the outstanding A Share convertible corporate bonds amounted to RMB7,799,936,000, representing 99.999179% of the total amount of A Share convertible corporate bonds issued.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of Audit Opinion

☐Applicable ✓Not Applicable

(II) Financial Statements

Consolidated Balance Sheet
30 September 2022

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	30 September 2022	31 December 2021
Assets:		
Cash and bank balances	101,532,175,765.60	113,938,328,461.65
Including: Cash held on behalf of customers	83,922,384,134.98	100,487,945,980.45
Clearing settlement funds	35,879,849,454.88	32,294,040,054.31
Including: Customer settlement funds	24,670,060,192.83	24,625,625,193.76
Advances to customers	84,670,647,259.90	98,193,766,693.17
Derivative financial assets	4,535,770,779.27	1,945,906,850.18
Refundable deposits	14,497,319,226.13	11,716,189,713.22
Accounts receivable	13,376,602,476.48	10,150,724,670.90
Financial assets held under resale agreements	18,365,585,150.98	21,975,081,109.26

Items	30 September 2022	31 December 2021
Financial investments:		
Financial assets held for trading	167,286,554,528.62	135,642,907,219.60
Debt investments	3,050,074,183.73	5,269,449,052.82
Other debt investments	125,823,656,852.21	81,232,918,495.83
Investments in other equity instruments	40,848,917,708.54	34,684,602,915.63
Long-term equity investments	57,878,146.00	30,249,877.00
Investment properties	7,493,400.00	7,640,887.50
Fixed assets	521,234,387.09	442,453,183.68
Right-of-use assets	1,449,801,214.25	1,570,778,877.64
Intangible assets	731,638,255.62	704,814,160.40
Goodwill	1,031,342,566.35	1,008,712,725.20
Deferred tax assets	164,377,843.70	168,264,753.51
Other assets	8,493,248,592.62	9,158,202,922.26
Total assets	**622,324,167,791.97**	**560,135,032,623.76**
Liabilities:		
Short-term borrowings	8,949,047,480.90	7,926,244,079.30
Short-term financing payables	29,264,411,179.37	27,996,979,705.08
Capital borrowed	9,695,819,116.93	16,127,940,543.20
Financial liabilities held for trading	36,273,408,898.47	16,583,935,089.21
Derivative financial liabilities	3,554,056,646.32	4,647,303,893.40
Financial assets sold under repurchase agreements	173,471,333,887.48	134,603,887,848.16
Accounts payable to brokerage customers	112,845,867,062.56	128,400,821,042.31
Funds payable to securities issuers	92,418,718.96	–
Employee remuneration payable	4,713,492,512.80	4,906,772,571.75
Tax payable	411,837,272.77	767,125,717.59
Accounts payable	14,491,265,492.37	5,301,303,947.49
Bonds payable	100,943,366,340.50	87,384,959,696.74
Including: Preference shares	–	–
Perpetual bonds	–	–
Lease liabilities	1,457,988,408.28	1,578,802,764.48
Deferred tax liabilities	1,076,069,242.66	1,138,783,654.80
Other liabilities	21,910,756,931.89	23,792,120,891.50
Total liabilities	519,151,139,192.26	461,156,981,445.01

Items	30 September 2022	31 December 2021
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	10,137,265,160.00	10,137,258,757.00
Other equity instruments	15,935,710,039.74	14,885,850,943.44
Including: Preference shares	–	–
Perpetual bonds	14,885,850,943.44	14,885,850,943.44
Capital reserve	25,051,524,854.20	25,051,469,662.73
Less: Treasury shares	–	–
Other comprehensive income	1,345,146,717.53	797,238,628.57
Surplus reserve	7,732,341,274.17	7,732,341,274.17
General risk reserve	13,628,042,625.07	13,601,538,103.99
Retained earnings	29,320,116,933.57	26,750,101,054.97
Total owners' equity (or shareholders' equity) attributable to the parent company	103,150,147,604.28	98,955,798,424.87
Non-controlling interests	22,880,995.43	22,252,753.88
Total owners' equity (or shareholders' equity)	103,173,028,599.71	98,978,051,178.75
Total liabilities and owners' equity (or shareholders' equity)	622,324,167,791.97	560,135,032,623.76

Person-in-charge of the Company: **Chen Liang**	Person-in-charge of accounting affairs: **Xue Jun**	Person-in-charge of accounting department: **Fan Minfei**

Consolidated Statement of Profit or Loss
January to September of 2022

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
I. Total operating income	**27,278,294,613.33**	**26,102,972,051.11**
Net interest income	4,013,761,848.72	4,125,790,629.42
Including: Interest income	10,717,001,496.73	9,778,265,957.66
Interest expenses	6,703,239,648.01	5,652,475,328.24
Net handling fee and commission income	5,883,760,482.37	6,885,490,646.76
Including: Net handling fee income from brokerage business	4,948,645,569.21	6,684,258,243.62
Net handling fee income from investment banking business	513,660,475.04	414,376,472.31
Net handling fee income from asset management business	347,634,605.81	392,357,218.20
Investment gains	4,133,309,154.84	4,450,810,900.84
Including: Gains from investment in associates and joint ventures	-531,730.99	38,085,103.38
Gains from derecognition of financial assets measured at amortisation costs	33,813,670.85	17,932,784.14
Other income	70,589,944.98	62,584,840.73
Gains from changes in fair value	735,641,150.86	518,949,067.02
Foreign exchange gains (losses presented by "-")	-7,438,234.91	30,712,028.59
Other operating income	12,447,839,327.53	10,027,358,217.27
Gains on disposal of assets	830,938.94	1,275,720.48

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
II. Total operating expenses	**20,061,152,616.27**	**16,769,418,077.27**
Taxes and surcharges	100,251,636.76	114,333,787.59
General and administrative expenses	7,205,972,986.78	7,140,454,622.74
Impairment losses on credits	214,693,862.98	-51,160,283.29
Other asset impairment losses	17,742,443.71	2,148,699.60
Other operating expenses	12,522,491,686.04	9,563,641,250.63
III. Operating profits	**7,217,141,997.06**	**9,333,553,973.84**
Add: Non–operating income	17,836,727.92	3,435,244.90
Less: Non-operating expense	9,754,334.23	82,709,762.76
IV. Total profits	**7,225,224,390.75**	**9,254,279,455.98**
Less: Income tax expense	784,182,389.21	1,784,924,875.61
V. Net profit	**6,441,042,001.54**	**7,469,354,580.37**
(I) Categorized by operation continuity		
1. Net profit from continuing operations	6,441,042,001.54	7,469,354,580.37
2. Net profit from discontinued operations	–	–
(II) Categorized by ownership		
1. Net profit attributable to shareholders of the parent company	6,440,413,759.99	7,400,639,134.02
2. Profit or loss attributable to non-controlling shareholders	628,241.55	68,715,446.35

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
VI. Other comprehensive income (net of tax)	**530,064,943.32**	**449,191,175.11**
Other comprehensive income attributable to shareholders of the Company (net of tax)	530,064,943.32	478,017,253.16
(I) Other comprehensive income that will not be reclassified into profits or losses subsequently	-85,334,351.11	135,360,133.13
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	-85,334,351.11	135,360,133.13
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	615,399,294.43	342,657,120.03
1. Other comprehensive income that can be transferred into profit or loss under equity method	–	–
2. Changes in fair value of other debt investments	477,758,616.33	462,514,822.89
3. Amount of financial assets reclassified into other comprehensive income	–	–
4. Credit loss provisions for other debt investments	13,317,673.91	-24,161,761.84
5. Cash flow hedge reserve	3,826,640.36	–
6. Exchange differences on translation of foreign currency financial statements	120,496,363.83	-95,695,941.02
7. Others	–	–
Net other comprehensive income attributable to non-controlling interests (net of tax)	–	-28,826,078.05

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
VII. Total comprehensive income	6,971,106,944.86	7,918,545,755.48
Total comprehensive income attributable to the shareholders of the parent company	6,970,478,703.31	7,878,656,387.18
Total comprehensive income attributable to non-controlling interests	628,241.55	39,889,368.30
VIII. Earnings per share:		
(I) Basic earnings per share (Yuan/share)	**0.59**	**0.69**
(II) Diluted earnings per share (Yuan/share)	**0.56**	**0.69**

Person-in-charge of the Company: **Chen Liang**

Person-in-charge of accounting affairs: **Xue Jun**

Person-in-charge of accounting department: **Fan Minfei**

Consolidated Statement of Cash Flows
January to September of 2022

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	**First three quarters of 2022 (January to September)**	**First three quarters of 2021 (January to September)**
I. Cash flows generated from operating activities:		
Cash received from interests, handling fees and commission	17,524,391,411.41	20,683,944,974.60
Net increase in funds from repurchase business	42,450,136,444.35	53,944,931,313.15
Net decrease in advances to customers	13,470,249,770.15	–
Net cash received from brokerage customers	–	25,997,134,510.69
Cash received from other operating activities	18,864,865,711.09	11,752,482,937.24
Sub-total of cash inflows from operating activities	92,309,643,337.00	112,378,493,735.68
Net increase in financial assets and liabilities held for trading and derivative financial instruments	15,712,392,282.34	21,456,837,206.74
Net decrease in capital borrowed	6,406,316,818.40	4,278,000,000.00
Net increase in advances to customers	–	12,147,396,761.45
Cash for the payment of interests, handling fees and commission	5,126,718,338.07	3,858,549,465.88
Net cash paid to brokerage customers	15,459,461,556.01	–
Cash paid to and for employees	5,394,591,376.98	4,755,626,009.31
Cash paid for various taxes	1,777,554,070.81	2,750,623,407.41
Cash paid for other operating activities	18,544,109,538.60	17,998,630,618.43
Sub-total of cash outflows from operating activities	68,421,143,981.21	67,245,663,469.22
Net cash flow generated from operating activities	23,888,499,355.79	45,132,830,266.46

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
II. Cash flows generated from investing activities:		
Cash received from realized investment gains	4,575,200,961.40	3,423,334,312.68
Net decrease in debt investments	2,202,501,652.11	755,647,997.77
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	880,795.28	1,387,216.60
Net decrease in investments in other equity instruments	–	1,330,493,530.02
Cash received from other investing activities	27,370,328,174.82	12,085,593,066.66
Sub-total of cash inflows from investing activities	34,148,911,583.61	17,596,456,123.73
Cash paid for investments	28,160,000.00	307,530,578.89
Net increase in other debt investments	42,893,038,185.63	23,388,695,626.51
Net increase in investments in other equity instruments	6,275,736,516.05	–
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	442,684,923.48	397,481,797.75
Cash paid for other investing activities	26,395,079,042.51	23,133,739,489.24
Sub-total of cash outflows from investing activities	76,034,698,667.67	47,227,447,492.39
Net cash flow generated from investing activities	-41,885,787,084.06	-29,630,991,368.66
III. Cash flows generated from financing activities:		
Cash received from issuance of perpetual bonds	–	9,924,245,283.05
Cash received from issuance of convertible corporate bonds	7,744,223,858.45	–
Cash received from borrowings	1,024,821,046.93	89,050,111.49
Cash received from issuance of long-term bonds and long-term beneficiary certificates	31,299,500,000.00	29,625,260,000.00
Cash received from issuance of short-term bonds and short-term beneficiary certificates	48,846,000,000.00	39,136,420,000.00
Sub-total of cash inflows from financing activities	88,914,544,905.38	78,774,975,394.54

Items	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
Cash paid for consolidation of structured entities	249,942,147.48	230,144,262.57
Cash paid for debt repayment	72,083,300,000.00	77,982,835,500.98
Cash paid for dividend and profit distribution or interest payment	6,789,075,915.68	5,032,320,267.52
Including: Dividend and profit paid by subsidiaries to minority shareholders	–	–
Cash paid for other financing activities	482,828,361.00	377,187,871.97
Sub-total of cash outflows from financing activities	79,605,146,424.16	83,622,487,903.04
Net cash flow generated from financing activities	9,309,398,481.22	-4,847,512,508.50
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**753,648,772.36**	**-84,758,942.42**
V. Net increase in cash and cash equivalents	**-7,934,240,474.69**	**10,569,567,446.88**
Add: Balance of cash and cash equivalents at the beginning of the period	122,515,013,386.31	94,127,262,119.01
VI. Balance of cash and cash equivalents at the end of the period	**114,580,772,911.62**	**104,696,829,565.89**

Person-in-charge of the Company:	Person-in-charge of accounting affairs:	Person-in-charge of accounting department:
Chen Liang	**Xue Jun**	**Fan Minfei**

Balance Sheet of the Parent Company

30 September 2022

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan   Currency: RMB   Type of audit: Unaudited

Items	**30 September 2022**	**31 December 2021**
Assets:		
Cash and bank balances	64,448,711,389.00	69,248,530,843.82
Including: Cash held on behalf of customers	53,422,785,346.40	62,353,820,579.19
Clearing settlement funds	26,095,421,991.73	23,661,119,796.79
Including: Customer settlement funds	16,437,835,407.72	15,997,668,610.24
Advances to customers	79,064,484,565.05	93,188,855,976.06
Derivative financial assets	2,697,249,825.42	1,659,477,186.71
Refundable deposits	3,607,268,059.28	1,996,999,881.53
Accounts receivable	430,107,852.18	336,175,697.21
Financial assets held under resale agreements	17,923,067,712.05	21,606,167,493.63
Financial investments:		
Financial assets held for trading	147,621,096,770.02	116,713,556,940.98
Debt investments	1,982,537,116.65	3,596,167,752.86
Other debt investments	125,823,117,448.76	81,232,918,495.83
Investments in other equity instruments	40,783,766,503.99	34,684,475,396.77
Long-term equity investments	15,285,044,281.02	11,366,244,281.02
Fixed assets	425,515,409.04	358,201,677.79
Right-of-use assets	1,152,535,995.12	1,266,317,072.15
Intangible assets	538,684,507.21	518,509,412.34
Goodwill	223,277,619.51	223,277,619.51
Deferred tax assets	–	–
Other assets	10,769,261,435.93	11,702,236,562.04
Total assets	538,871,148,481.96	473,359,232,087.04

Items	30 September 2022	31 December 2021
Liabilities:		
Short-term financing payables	29,264,411,179.37	27,996,979,705.08
Capital borrowed	9,695,819,116.93	16,127,940,543.20
Financial liabilities held for trading	34,292,168,011.24	14,520,049,888.60
Derivative financial liabilities	3,381,274,387.28	3,051,763,324.75
Financial assets sold under repurchase agreements	172,466,128,303.37	133,704,089,714.82
Accounts payable to brokerage customers	70,101,762,976.40	78,597,550,609.75
Funds payable to securities issuers	92,418,718.96	–
Employee remuneration payable	3,858,234,015.40	3,937,705,721.24
Tax payable	254,275,936.84	463,538,939.76
Accounts payable	111,651,212.75	85,427,680.91
Bonds payable	100,943,366,340.50	87,384,959,696.74
Including: Preference shares	–	–
Perpetual bonds	–	–
Lease liabilities	1,140,793,485.61	1,262,091,756.42
Deferred tax liabilities	901,884,221.63	946,734,714.18
Other liabilities	12,992,666,916.53	9,059,403,932.18
Total liabilities	439,496,854,822.81	377,138,236,227.63

Items	30 September 2022	31 December 2021
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	10,137,265,160.00	10,137,258,757.00
Other equity instruments	15,935,710,039.74	14,885,850,943.44
Including: Preference shares	–	–
Perpetual bonds	14,885,850,943.44	14,885,850,943.44
Capital reserve	25,006,962,678.08	25,006,907,486.61
Less: Treasury shares	–	–
Other comprehensive income	1,476,698,532.71	1,063,874,365.52
Surplus reserve	7,732,341,274.17	7,732,341,274.17
General risk reserve	13,014,415,150.86	13,014,415,150.86
Retained earnings	26,070,900,823.59	24,380,347,881.81
Total owners' equity (or shareholders' equity)	99,374,293,659.15	96,220,995,859.41
Total liabilities and owners' equity (or shareholders' equity)	538,871,148,481.96	473,359,232,087.04

Person-in-charge of the Company:	Person-in-charge of accounting affairs:	Person-in-charge of accounting department:
Chen Liang	**Xue Jun**	**Fan Minfei**

Statement of Profit or Loss of the Parent Company
January to September of 2022

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan   Currency: RMB   Type of audit: Unaudited

Items	**First three quarters of 2022**	**First three quarters of 2021**
I. Total operating income	**11,312,471,641.09**	**13,176,292,413.89**
Net interest income	3,124,825,044.26	3,194,499,036.70
Including: Interest income	9,094,924,487.58	8,534,423,540.48
Interest expenses	5,970,099,443.32	5,339,924,503.78
Net handling fee and commission income	4,661,286,912.98	5,492,317,516.10
Including: Net handling fee income from brokerage business	4,149,269,776.01	5,072,274,436.23
Net handling fee income from investment banking business	463,432,656.63	379,559,925.93
Net handling fee income from asset management business	–	–
Investment gains	3,139,374,050.96	3,786,568,625.26
Including: Gains from investment in associates and joint ventures	–	–
Gains from derecognition of financial assets measured at amortisation costs	33,813,670.85	1,359,455.36
Other income	43,798,950.90	55,236,815.64
Gains from changes in fair value	349,476,068.32	639,061,251.35
Foreign exchange gains (losses presented by "-")	-9,979,480.93	2,595,887.47
Other operating income	2,623,917.57	4,874,574.78
Gains from disposal of assets	1,066,177.03	1,138,706.59

Items	First three quarters of 2022	First three quarters of 2021
II. Total operating expenses	**5,328,693,459.97**	**5,143,483,027.60**
Taxes and surcharges	80,256,125.88	93,810,165.13
General and administrative expenses	5,174,692,507.63	5,154,653,729.28
Impairment losses on credits	73,744,826.46	-104,980,866.81
Other asset impairment losses	–	–
Other operating expenses	–	–
III. Operating profits	**5,983,778,181.12**	**8,032,809,386.29**
Add: Non-operating income	11,560,923.76	1,139,368.28
Less: Non-operating expense	8,258,132.46	37,791,130.61
IV. Total profits	**5,987,080,972.42**	**7,996,157,623.96**
Less: Income tax expense	452,634,670.33	1,468,346,642.37
V. Net profit	**5,534,446,302.09**	**6,527,810,981.59**
(I) Net profit from continuing operations	5,534,446,302.09	6,527,810,981.59
(II) Net profit from discontinued operations	–	–
VI. Other comprehensive income (net of tax)	**394,981,021.55**	**573,713,194.18**
(I) Other comprehensive income that will not be reclassified into profits or losses subsequently	-96,105,261.74	135,360,133.13
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	-96,105,261.74	135,360,133.13
4. Changes in fair value due to enterprise's own credit risk	–	–

Items	First three quarters of 2022	First three quarters of 2021
(II) Other comprehensive income that will be reclassified into profits or losses subsequently	491,086,283.29	438,353,061.05
1. Other comprehensive income that can be transferred into profit or loss under equity method	–	–
2. Changes in fair value of other debt investments	477,966,858.58	462,514,822.89
3. Amount of financial assets reclassified into other comprehensive income	–	–
4. Credit loss provisions for other debt investments	13,119,424.71	-24,161,761.84
5. Cash flow hedge reserve	–	–
6. Exchange differences on translation of foreign currency financial statements	–	–
7. Others	–	–
VII. Total comprehensive income	5,929,427,323.64	7,101,524,175.77
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

Person-in-charge of the Company:	Person-in-charge of accounting affairs:	Person-in-charge of accounting department:
Chen Liang	**Xue Jun**	**Fan Minfei**

Statement of Cash Flows of the Parent Company
January to September of 2022

Prepared by: China Galaxy Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First three quarters of 2022	First three quarters of 2021
I. Cash flows generated from operating activities:		
Cash received from interests, handling fees and commission	15,395,438,189.96	15,078,261,015.75
Net increase in funds from repurchase business	42,417,380,009.84	52,941,034,768.65
Net decrease in advances to customers	14,059,971,830.88	–
Net cash received from brokerage customers	–	9,728,586,676.64
Cash received from other operating activities	3,135,287,834.96	45,528,657.86
Sub-total of cash inflows from operating activities	75,008,077,865.64	77,793,411,118.90
Net increase in financial assets and liabilities held for trading and derivative financial instruments	12,806,305,296.37	15,930,555,737.73
Net decrease in capital borrowed	6,406,316,818.40	4,278,000,000.00
Net increase in advances to customers	–	12,883,590,455.78
Cash for the payment of interests, handling fees and commission	4,417,487,979.16	3,095,046,484.68
Net cash paid to brokerage customers	8,400,295,209.62	–
Cash paid to and for employees	4,047,636,945.63	3,659,431,276.11
Cash paid for various taxes	1,129,247,286.90	2,252,612,072.19
Cash paid for other operating activities	1,100,334,999.45	1,091,117,818.40
Sub-total of cash outflows from operating activities	38,307,624,535.53	43,190,353,844.89
Net cash flow generated from operating activities	36,700,453,330.11	34,603,057,274.01

Items	First three quarters of 2022	First three quarters of 2021
II. Cash flows generated from investing activities:		
Cash received from realized investment gains	3,469,876,285.37	3,059,508,640.21
Net decrease in debt investments	1,628,232,725.44	1,398,970,640.69
Net decrease in investments in other equity instruments	–	1,104,836,162.69
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,130,147.65	1,872,179.13
Cash received from other investing activities	120,485,800.00	–
Sub-total of cash inflows from investing activities	5,219,724,958.46	5,565,187,622.72
Cash paid for investments	3,918,800,000.00	229,500,968.78
Net increase in other debt investments	42,506,457,261.48	22,875,573,086.43
Net increase in investments in other equity instruments	6,203,640,595.35	–
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	380,791,033.15	319,887,844.82
Cash paid for other investing activities	170,079,042.51	79,012,743.44
Sub-total of cash outflows from investing activities	53,179,767,932.49	23,503,974,643.47
Net cash flow generated from investing activities	-47,960,042,974.03	-17,938,787,020.75
III. Cash flows generated from financing activities:		
Cash received from issuance of perpetual bonds	–	9,924,245,283.05
Cash received from issuance of convertible corporate bonds	7,744,223,858.45	–
Cash received from issuance of long-term bonds and long-term beneficiary certificates	31,299,500,000.00	29,625,260,000.00
Cash received from issuance of short-term bonds and short-term beneficiary certificates	48,846,000,000.00	39,136,420,000.00
Sub-total of cash inflows from financing activities	87,889,723,858.45	78,685,925,283.05

Items	First three quarters of 2022	First three quarters of 2021
Cash paid for debt repayment	72,083,300,000.00	77,982,835,500.98
Cash paid for dividend and profit distribution or interest payment	6,776,343,451.25	5,262,714,459.02
Cash paid for other financing activities	386,638,036.23	290,908,414.62
Sub-total of cash outflows from financing activities	79,246,281,487.48	83,536,458,374.62
Net cash flow generated from financing activities	8,643,442,370.97	-4,850,533,091.57
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**161,989,898.98**	**-9,982,631.67**
V. Net increase in cash and cash equivalents	**-2,454,157,373.97**	**11,803,754,530.02**
Add: Balance of cash and cash equivalents at the beginning of the period	92,665,663,016.82	83,884,900,779.60
VI. Balance of cash and cash equivalents at the end of the period	**90,211,505,642.85**	**95,688,655,309.62**

Person-in-charge of the Company:	Person-in-charge of accounting affairs:	Person-in-charge of accounting department:
Chen Liang	**Xue Jun**	**Fan Minfei**

Adjustment to the Financial Statements at the Beginning of the Year upon initial application of the New Accounting Standards or Interpretation of Accounting Standards from 2022

☐Applicable ✓Not Applicable

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

Beijing, the PRC
27 October 2022

As at the date of this announcement, the executive Directors are Mr. CHEN Liang (Chairman) and Mr. WANG Sheng (Vice Chairman and President); the non-executive Directors are 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.