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中國中鐵股份有限公司

**CHINA RAILWAY GROUP LIMITED**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 390)**

**ANNOUNCEMENT ON FULFILLMENT OF THE UNLOCKING  
CONDITIONS FOR THE FIRST UNLOCKING PERIOD UNDER THE  
FIRST GRANT OF THE 2021 RESTRICTED SHARE INCENTIVE SCHEME  
AND THE LISTING OF THE RESTRICTED SHARES OF THE COMPANY**

Reference is made to the 2021 Restricted Share Incentive Scheme (the “**2021 Restricted Share Incentive Scheme**”) which was approved at the Extraordinary General Meeting and the A Share Class Meeting held by China Railway Group Limited (the “**Company**”) on 30 December 2021 and the H Share Class Meeting held by the Company on 12 January 2022, respectively, the circular dated 14 December 2021 (the “**Circular**”), the announcements dated 17 January 2022 and 24 February 2022 issued by the Company in relation to the first grant of Restricted Shares to the Participants of the 2021 Restricted Share Incentive Scheme, the announcements dated 28 October 2022 and 26 December 2022 in relation to the repurchase and cancellation of part of the Restricted Shares and the announcement dated 29 December 2023 in relation to the fulfillment of the Unlocking Conditions for the First Unlocking Period under the First Grant of the 2021 Restricted Share Incentive Scheme (the “**Announcements**”). Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Circular and the Announcements.

The 35th meeting of the fifth session of the Board was held by the Company on 29 December 2023, at which the Resolution on the Fulfillment of the Unlocking Conditions for the First Unlocking Period under the First Grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme was considered and approved.

**I. EXPLANATION ON FULFILLMENT OF THE UNLOCKING CONDITIONS FOR THE FIRST UNLOCKING PERIOD UNDER THE FIRST GRANT OF THE 2021 RESTRICTED SHARE INCENTIVE SCHEME**

**1. Upcoming expiry of the First Lock-up Period**

Pursuant to the relevant provisions of the 2021 Restricted Share Incentive Scheme, the Lock-up Period of the Restricted Shares granted under the 2021 Restricted Share Incentive Scheme shall be 24 months, 36 months and 48 months from the relevant completion date of registration of the Restricted Shares under the corresponding grant. The First Unlocking Period commences from the first trading day after the expiry of the

24-month period from the date of completion of registration of certain corresponding Restricted Shares and ends on the last trading day of the 36-month period from the date of completion of registration certain corresponding Restricted Shares, and the proportion of the Restricted Shares to be unlocked is 1/3 of the total number of the Restricted Shares.

The registration for the first grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme was completed on 23 February 2022. The period from the first trading day after the expiry of the 24-month period from the date of completion of registration of certain corresponding Restricted Shares to the last trading day of the 36-month period from the date of completion of registration certain corresponding Restricted Shares shall be the First Unlocking Period, and the proportion of the Restricted Shares to be unlocked is 1/3 of the total number of the Restricted Shares. The First Unlocking Period in respect of the First Grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme will commence on 23 February 2024.

## 2. Explanation on Fulfillment of the conditions for the First Unlocking Period

The fulfillment of the Unlocking Conditions during the First Unlocking Period of the 2021 Restricted Share Incentive Scheme is as follows:

No.	Unlocking Conditions	Status of fulfillment
1	<p>None of the following events with respect to the Company has occurred:</p> <ul style="list-style-type: none"> <li>(1) issue of an auditors' report with adverse opinion or which indicates an inability to give an opinion by a certified public accountant with respect to the financial and accounting report of the Company for its most recent accounting year;</li> <li>(2) issue of an auditors' report with adverse opinion or which indicates an inability to give an opinion by a certified public accountant with respect to the internal control of the financial report of the Company for its most recent accounting year;</li> <li>(3) failure to conduct profit distribution in accordance with laws and regulations, the Articles of Association and public undertakings within the 36 months after listing;</li> <li>(4) prohibition from implementation of a share incentive scheme by laws and regulations;</li> <li>(5) other circumstance as determined by the CSRC.</li> </ul>	<p>As there is no occurrence of any of the aforesaid circumstances, the Company has satisfied the conditions for unlocking the Restricted Shares.</p>

<b>No.</b>	<b>Unlocking Conditions</b>	<b>Status of fulfillment</b>
2	<p>None of the following events with respect to the Participant has occurred:</p> <ol style="list-style-type: none"> <li data-bbox="357 300 1015 412">(1) he or she has been determined by the Shanghai Stock Exchange as an ineligible person in the past 12 months;</li> <li data-bbox="357 453 1015 566">(2) he or she has been determined by the CSRC or any of its delegated agencies as an ineligible person in the past 12 months;</li> <li data-bbox="357 606 1015 825">(3) he or she has been imposed with administrative penalties or measures prohibiting access into the securities market by the CSRC or any of its delegated agencies due to material non-compliance of laws and regulations in the past 12 months;</li> <li data-bbox="357 866 1015 978">(4) he or she is prohibited from being a director or senior management of a company under the Company Law;</li> <li data-bbox="357 1019 1015 1166">(5) he or she is prohibited from participating in any share incentive scheme of listed companies as required by laws and regulations;</li> <li data-bbox="357 1206 1015 1278">(6) he or she falls under any other circumstances as determined by the CSRC.</li> </ol>	<p>As there is no occurrence of any of the aforesaid circumstances, the Company has satisfied the conditions for unlocking the Restricted Shares.</p>

No.	Unlocking Conditions	Status of fulfillment										
3	<p>Achievement of the performance appraisal conditions of the Company:</p> <p>(1) The weighted average returns on net assets after deducting non-recurring profit and loss for 2022 shall not be less than 10.50% and not lower than the average performance of industry peers or the 75th percentile of the benchmarking companies;</p> <p>(2) On the basis of 2020, the compound growth rate of net profit after deducting non-recurring profit and loss attributable to the shareholders of the listed Company for 2022 shall not be less than 12% and not lower than the average performance of industry peers or the 75th percentile of the benchmarking companies;</p> <p>(3) Achieve the economic value added (EVA) performance targets of SASAC for 2022.</p>	<p>(1) The weighted average returns on net assets after deducting non-recurring profit and loss for 2022 is 11.71% and not less than 10.50% and higher than the 75th percentile of the benchmarking companies (10.58%), fulfilling the Unlocking Condition;</p> <p>(2) On the basis of 2020, the compound growth rate of net profit after deducting non-recurring profit and loss attributable to the shareholders of the listed Company for 2022 is 14.08% and not less than 12% and higher than the average performance of industry peers (5.42%), fulfilling the Unlocking Condition;</p> <p>(3) Achieve the economic value added (EVA) performance targets of SASAC for 2022, fulfilling the Unlocking Condition.</p>										
4	<p>Achievement of the performance appraisal conditions at subsidiary level:</p> <table border="1" data-bbox="357 1432 1010 1576"> <thead> <tr> <th data-bbox="357 1432 703 1485">Results of appraisal</th> <th data-bbox="703 1432 778 1485">A</th> <th data-bbox="778 1432 853 1485">B</th> <th data-bbox="853 1432 928 1485">C</th> <th data-bbox="928 1432 1010 1485">D</th> </tr> </thead> <tbody> <tr> <td data-bbox="357 1485 703 1576">Appraisal coefficient for the organization</td> <td data-bbox="703 1485 778 1576">1.0</td> <td data-bbox="778 1485 853 1576">1.0</td> <td data-bbox="853 1485 928 1576">0.8</td> <td data-bbox="928 1485 1010 1576">0</td> </tr> </tbody> </table>	Results of appraisal	A	B	C	D	Appraisal coefficient for the organization	1.0	1.0	0.8	0	<p>In 2022, the performance appraisal results of the secondary organizations where the Participants are located are Grade A or Grade B, fulfilling the Unlocking Conditions.</p>
Results of appraisal	A	B	C	D								
Appraisal coefficient for the organization	1.0	1.0	0.8	0								

No.	Unlocking Conditions	Status of fulfillment										
5	<p data-bbox="355 189 1011 257">Achievement of the performance appraisal conditions at individual level:</p> <table border="1" data-bbox="355 293 1007 400"> <thead> <tr> <th data-bbox="355 293 703 346">Results of appraisal</th> <th data-bbox="703 293 778 346">A</th> <th data-bbox="778 293 853 346">B</th> <th data-bbox="853 293 928 346">C</th> <th data-bbox="928 293 1007 346">D</th> </tr> </thead> <tbody> <tr> <td data-bbox="355 346 703 400">Standard coefficient</td> <td data-bbox="703 346 778 400">1.0</td> <td data-bbox="778 346 853 400">1.0</td> <td data-bbox="853 346 928 400">0.8</td> <td data-bbox="928 346 1007 400">0</td> </tr> </tbody> </table>	Results of appraisal	A	B	C	D	Standard coefficient	1.0	1.0	0.8	0	<p data-bbox="1040 189 1473 363">In 2022, among the remaining 692 first-time incentive recipients of the Company in this incentive plan, the individual assessment results are as follows:</p> <ol data-bbox="1040 406 1473 1817" style="list-style-type: none"> <li data-bbox="1040 406 1473 655">(1) The individual assessment results of 685 Participants are excellent or good, and their proportion of Restricted Shares unlocked during the First Unlocking Period is 100%.</li> <li data-bbox="1040 697 1473 1087">(2) The individual assessment results of 2 Participants are fair, and their proportion of Restricted Shares unlocked during the First Unlocking Period is 80%, and the remaining 20% of Restricted Shares that have not been released will be repurchased and canceled by the Company.</li> <li data-bbox="1040 1129 1473 1817">(3) 5 Participants no longer meet the Unlocking Conditions of the 2021 Restricted Share Incentive Scheme as a result of transfer from the Company and ceased to take office in the Company due to organizational arrangements, death, voluntary resignation during the labor contract period, administrative dismissal, etc., and all Restricted Shares that have been granted to them but not unlocked will be repurchased and cancelled by the Company.</li> </ol>
Results of appraisal	A	B	C	D								
Standard coefficient	1.0	1.0	0.8	0								

In conclusion, the Board is of the view that the Unlocking Conditions of the First Locking Period under the First Grant under the 2021 Restricted Share Incentive Scheme have been fulfilled. Pursuant to the authorization obtained at general meeting and class meeting of the Company, the Company shall deal with the relevant matters in respect of unlocking Restricted Shares for the qualified Participants upon expiry of the First Locking Period.

## II. STATUS OF THE RESTRICTED SHARES UNDER THE CURRENT UNLOCKING PERIOD

The number of Participants under the first grant who are qualified for the current unlocking is 687, the number of the Restricted Shares which are involved in the unlocking is 55,910,838 Shares, accounting for 33.32% of the Restricted Shares granted to the Participants and 0.23% of the Company's total share capital as at the date of this announcement, the details are of follows:

No.	Name	Position	Number of the Restricted Shares granted ('0,000 Shares)	Number of the Restricted Shares which can be unlocked ('0,000 Shares)	Proportion of the Unlocking Shares in the total share capital of the Company
<b>I. Senior management</b>					
1	KONG Dun (孔遁)	Vice president, chief engineer	40	13.3334	33.33%
2	MA Jiangqian (馬江黔)	Vice president	40	13.3334	33.33%
3	LI Xincheng (李新生)	Vice president	40	13.3334	33.33%
4	HE Wen (何文)	Secretary to the Board	40	13.3334	33.33%
5	ZHAO Bin (趙斌)	Chief economist	22.32	7.44	33.33%
6	GENG Shubiao (耿樹標)	Assistant to the President	22.32	7.44	33.33%
Subtotal of senior management personnel (6 people)			204.64	68.2136	33.33%
<b>II. Other Participants</b>					
Subtotal of other Participants (681 people)			16,575.56	5,522.8702	33.32%
<b>Total (687 people)</b>			<b>16,780.20</b>	<b>5,591.0838</b>	<b>33.32%</b>

### III. LISTING AND CIRCULATION ARRANGEMENTS FOR RESTRICTED SHARES UNLOCKED AND CHANGES IN SHARE CAPITAL STRUCTURE UNDER THE CURRENT UNLOCKING PERIOD

- (1) The listing and circulation date of the Restricted Shares unlocked under the current unlocking period is 23 February 2024.
- (2) The number of Restricted Shares unlocked under the current unlocking period is 55,910,838.
- (3) Locking and transfer restrictions on the directors and senior management of Restricted Shares unlocked under the current unlocking period
  1. If the Participants are directors and senior management of the Company, the Shares they transfer each year during their tenure shall not exceed 25% of the total Shares of the Company they hold; within six months after termination of employment, they shall not transfer the Shares of the Company they hold.
  2. If the Participants are directors and senior management of the Company, the proceeds they receive from selling the Shares within 6 months after buying, or buying the Shares again within 6 months after selling, is owned by the Company and the Board will take back such proceeds.
  3. Participants who serve as directors or senior management should extend the lock-up period for 20% of the total number of Restricted Shares granted until their tenure expires, and the sales restrictions should be determined based on their tenure assessment or economic performance audits results as directors or senior management.
  4. During the effective period of the 2021 Restricted Share Incentive Scheme, if there are any changes to the Company Law, Securities Law, other relevant laws, regulations, normative documents, and the Company's Articles of Association regarding the transfer of Shares held by directors and senior management of the Company, the transfer of Shares by these Participants should comply with the revised requirements at the time of transfer.
- (4) Changes in the Company's capital structure after the current unlocking of Restricted Shares

Class of Shares	Before this change		This change (+/-)	After this change	
	Number of Shares	Proportion		Number of Shares	Proportion
Restricted Shares	181,266,700	0.73%	-55,910,838	125,355,862	0.51%
Unrestricted Shares	24,570,929,283	99.27%	+55,910,838	24,626,840,121	99.49%
Total number of Shares	24,752,195,983	100%	0	24,752,195,983	100%

#### **IV. SUMMARY OF THE LEGAL OPINIONS**

According to Beijing Jia Yuan Law Offices:

1. The necessary authorization and approval have been obtained in respect of the unlocking for the First Unlocking Period;
2. The Unlocking Conditions of the First Unlocking Period under the 2021 Restricted Share Incentive Scheme have been fulfilled; the qualification of the relevant Participants eligible for unlocking in the First Unlocking Period under the 2021 Restricted Share Incentive Scheme is legal and valid, and the number of unlocking Restricted Shares is in compliance with the relevant provisions of the 2021 Restricted Share Incentive Scheme.

By order of the Board  
**China Railway Group Limited**  
**Chen Yun**  
*Chairman*

5 February 2024

*As at the date of this announcement, the executive directors of the Company are Mr. CHEN Yun (Chairman), Mr. CHEN Wenjian and Mr. WANG Shiqi; the non-executive director of the Company is Mr. WEN Limin; the independent non-executive directors of the Company are Mr. CHUNG Shui Ming Timpson, Mr. ZHANG Cheng and Mr. XIU Long.*