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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
RESERVED 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 1 December 2022 issued by the Company in relation to the grant of the reserved part of the Restricted Shares to the Participants of the 2021 Restricted Share Incentive Scheme, the announcements of the Company dated 30 October 2022, 27 December 2022, 29 December 2023, 6 March 2024, 30 August 2024 and 30 October 2024 in relation to the repurchase and cancellation of part of the Restricted Shares, the announcements dated 29 December 2023 and 5 February 2024 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, and the announcement dated 30 October 2024 in relation to the fulfillment of the Unlocking Conditions for the Second Unlocking Period under the first grant of the 2021 Restricted Share Incentive Scheme. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Circular and the Announcements.

The 2nd meeting of the sixth session of the Board was held by the Company on 30 August 2024, at which the Proposal on the Fulfillment of the Unlocking Conditions for the First Unlocking Period under the Reserved 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 RESERVED 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 Reserved Grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme was completed on 30 November 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 Reserved Grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme will commence on 2 December 2024.

2. Explanation on Fulfillment of the Unlocking Conditions for the First Unlocking Period

The fulfillment of the Unlocking Conditions for the First Unlocking Period under the Reserved Grant of the 2021 Restricted Share Incentive Scheme is as follows:

No.	Unlocking Conditions	Status of fulfillment
1	None of the following events with respect to the Company has occurred: (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;	As there is no occurrence of any of the aforesaid circumstances, the Company has satisfied the conditions for unlocking the Restricted Shares.

No.	Unlocking Conditions	Status of fulfillment
	<ul style="list-style-type: none"> (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; (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; (4) prohibition from implementation of a share incentive scheme by laws and regulations; (5) other circumstance as determined by the CSRC. 	
2	<p>None of the following events with respect to the Participant has occurred:</p> <ul style="list-style-type: none"> (1) he or she has been determined by the Shanghai Stock Exchange as an ineligible person in the past 12 months; (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; (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; (4) he or she is prohibited from being a director or senior management of a company under the Company Law; (5) he or she is prohibited from participating in any share incentive scheme of listed companies as required by laws and regulations; (6) he or she falls under any other circumstances as determined by the CSRC. 	As there is no occurrence of any of the aforesaid circumstances, the Company has satisfied the conditions for unlocking the Restricted Shares.

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) Achieved 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="387 1481 978 1710"> <thead> <tr> <th data-bbox="387 1481 676 1576">Results of appraisal</th> <th data-bbox="676 1481 751 1576">A</th> <th data-bbox="751 1481 826 1576">B</th> <th data-bbox="826 1481 901 1576">C</th> <th data-bbox="901 1481 978 1576">D</th> </tr> </thead> <tbody> <tr> <td data-bbox="387 1576 676 1710">Appraisal coefficient for the organization</td> <td data-bbox="676 1576 751 1710">1.0</td> <td data-bbox="751 1576 826 1710">1.0</td> <td data-bbox="826 1576 901 1710">0.8</td> <td data-bbox="901 1576 978 1710">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 Condition.</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="384 214 965 283">Achievement of the performance appraisal conditions at individual level:</p> <table border="1" data-bbox="384 321 971 491"> <thead> <tr> <th data-bbox="384 321 523 400">Results of appraisal</th> <th data-bbox="523 321 628 400">Excellent</th> <th data-bbox="628 321 719 400">Good</th> <th data-bbox="719 321 842 400">Competent</th> <th data-bbox="842 321 971 400">Incompetent</th> </tr> </thead> <tbody> <tr> <td data-bbox="384 400 523 491">Standard coefficient</td> <td data-bbox="523 400 628 491">1.0</td> <td data-bbox="628 400 719 491">1.0</td> <td data-bbox="719 400 842 491">0.8</td> <td data-bbox="842 400 971 491">0</td> </tr> </tbody> </table>	Results of appraisal	Excellent	Good	Competent	Incompetent	Standard coefficient	1.0	1.0	0.8	0	<p data-bbox="1023 214 1461 431">In 2022, among the 50 Participants under the Reserved Grant of the 2021 Restricted Share Incentive Scheme, the individual assessment results are as follows:</p> <p data-bbox="1023 476 1461 768">(1) The individual assessment results of 49 Participants are excellent or good, and their proportion of Restricted Shares unlocked during the First Unlocking Period is 100%.</p> <p data-bbox="1023 812 1461 1257">(2) The individual assessment results of 1 Participant are competent, and the 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.</p>
Results of appraisal	Excellent	Good	Competent	Incompetent								
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 Reserved Grant under the 2021 Restricted Share Incentive Scheme have been fulfilled. Pursuant to the authorization obtained at general meeting and class meetings of the Company, the Company shall deal with the relevant matters in respect of unlocking Restricted Shares for the qualified Participants under the Reserved Grant upon expiry of the First Locking Period.

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

The number of Participants under the Reserved Grant who are qualified for the current unlocking is 50, the number of the Restricted Shares which are involved in the unlocking is 3,958,098 Shares, accounting for 33.20% of the Restricted Shares granted to the Participants and 0.02% 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 to the Restricted Shares granted
I. Senior management					
			Nil		
II. Other Participants					
	Subtotal of other Participants (50 people)		1,192.20	395.8098	33.20%
	Total (50 people)		1,192.20	395.8098	33.20%

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 2 December 2024.
- (2) The number of Restricted Shares unlocked under the current unlocking period is 3,958,098.
- (3) There is no locking and transfer restriction on the directors and senior management of Restricted Shares unlocked under the current unlocking period.
- (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 A Shares	123,789,696	0.5%	-3,958,098	119,831,598	0.48%
Unrestricted A Shares	20,419,450,121	82.5%	+3,958,098	20,423,408,219	82.52%
H Shares	4,207,390,000	17.0%	0	4,207,390,000	17.00%
Total number of Shares	24,750,629,817	100%	0	24,750,629,817	100%

IV. CONCLUSIVE VIEWS OF THE LEGAL OPINION

According to Beijing Jia Yuan Law Offices:

1. As of the date of the legal opinion, the necessary authorization and approval have been obtained in respect of the unlocking for the First Unlocking Period under the Reserved Grant of the 2021 Restricted Share Incentive Scheme;
2. The Unlocking Conditions of the First Unlocking Period under the Reserved Grant of 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 Reserved Grant of 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

Beijing, the PRC
25 November 2024

As at the date of this announcement, the executive directors of the Company are 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. XIU Long, Ms. SUN Lishi and Mr. TU Haiming.