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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 SECOND 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 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, 30 October 2024, 20 December 2024 and 13 March 2025 in relation to the repurchase and cancellation of part of the Restricted Shares, and the announcements dated 29 December 2023, 5 February 2024, 30 August 2024, 30 October 2024, 25 November 2024 and 13 March 2025 in relation to the fulfillment of the Unlocking Conditions 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 fourth meeting of the sixth session of the Board was held by the Company on 30 October 2024, at which the Proposal on the Fulfillment of the Unlocking Conditions for the Second Unlocking Period under the First Grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme was considered and approved. The eighth meeting of the sixth session of the Board was held by the Company on 13 March 2025, at which the Proposal on the Adjustment to Matters Relating to Unlocking of Restrictions for the Second 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 SECOND UNLOCKING PERIOD UNDER THE FIRST GRANT OF THE 2021 RESTRICTED SHARE INCENTIVE SCHEME**

## **1. Expiry of the Second 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 Second Unlocking Period commences from the first trading day after the expiry of the 36-month period from the date of completion of registration of certain corresponding Restricted Shares and ends on the last trading day of the 48-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 36-month period from the date of completion of registration of certain corresponding Restricted Shares to the last trading day of the 48-month period from the date of completion of registration certain corresponding Restricted Shares shall be the Second Unlocking Period, and the proportion of the Restricted Shares to be unlocked is 1/3 of the total number of the Restricted Shares. The Second Unlocking Period in respect of the First Grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme commenced on 24 February 2025.

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

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

<b>No.</b>	<b>Unlocking Conditions</b>	<b>Status of fulfillment</b>
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>
2	<p>None of the following events with respect to the Participant has occurred:</p> <ul style="list-style-type: none"> <li>(1) he or she has been determined by the Shanghai Stock Exchange as an ineligible person in the past 12 months;</li> <li>(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>(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> </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>

No.	Unlocking Conditions	Status of fulfillment										
	<p>(4) he or she is prohibited from being a director or senior management of a company under the Company Law;</p> <p>(5) he or she is prohibited from participating in any share incentive scheme of listed companies as required by laws and regulations;</p> <p>(6) he or she falls under any other circumstances as determined by the CSRC.</p>											
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 2023 shall not be less than 11.00% 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 2023 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 2023.</p>	<p>(1) The weighted average returns on net assets after deducting non-recurring profit and loss for 2023 is 11.47% and not less than 11% and higher than the 75th percentile of the benchmarking companies (9.98%), 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 2023 is 12.24% and not less than 12% and higher than the average performance of industry peers (4.02%), fulfilling the Unlocking Condition;</p> <p>(3) Achieve the economic value added (EVA) performance targets of SASAC for 2023, fulfilling the Unlocking Condition.</p>										
4	<p>Achievement of the performance appraisal conditions at subsidiary level:</p> <table border="1" data-bbox="411 1676 959 1870"> <thead> <tr> <th data-bbox="411 1676 582 1757">Results of appraisal</th> <th data-bbox="582 1676 679 1757">A</th> <th data-bbox="679 1676 777 1757">B</th> <th data-bbox="777 1676 874 1757">C</th> <th data-bbox="874 1676 959 1757">D</th> </tr> </thead> <tbody> <tr> <td data-bbox="411 1757 582 1870">Appraisal coefficient for the organization</td> <td data-bbox="582 1757 679 1870">1.0</td> <td data-bbox="679 1757 777 1870">1.0</td> <td data-bbox="777 1757 874 1870">0.8</td> <td data-bbox="874 1757 959 1870">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 2023, 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="408 172 959 236">Achievement of the performance appraisal conditions at individual level:</p> <table border="1" data-bbox="408 261 959 423"> <thead> <tr> <th data-bbox="408 261 580 338">Results of appraisal</th> <th data-bbox="580 261 679 338">A</th> <th data-bbox="679 261 778 338">B</th> <th data-bbox="778 261 877 338">C</th> <th data-bbox="877 261 959 338">D</th> </tr> </thead> <tbody> <tr> <td data-bbox="408 338 580 423">Standard coefficient</td> <td data-bbox="580 338 679 423">1.0</td> <td data-bbox="679 338 778 423">1.0</td> <td data-bbox="778 338 877 423">0.8</td> <td data-bbox="877 338 959 423">0</td> </tr> </tbody> </table>	Results of appraisal	A	B	C	D	Standard coefficient	1.0	1.0	0.8	0	<p data-bbox="1026 172 1471 363">In 2023, among the remaining 645 Participants under the First Grant of the 2021 Restricted Share Incentive Scheme, the individual assessment results are as follows:</p> <ol data-bbox="1026 395 1471 1621" style="list-style-type: none"> <li data-bbox="1026 395 1471 619">(1) The individual assessment results of 633 Participants are excellent or good, and their proportion of Restricted Shares unlocked during the First Unlocking Period is 100%.</li> <li data-bbox="1026 651 1471 1038">(2) The individual assessment results of 2 Participants are fair, and their proportion of Restricted Shares unlocked during the Second 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="1026 1070 1471 1621">(3) 10 Participants were disqualified for the 2021 Restricted Share Incentive Scheme due to becoming unable to hold Restricted Shares of the Company, being transferred from the Company and ceased to take office in the Company due to organizational arrangements, violation of laws and regulations, 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								

## 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 635, the number of the Restricted Shares which are involved in the unlocking is 51,449,722 Shares, accounting for 33.32% of the Restricted Shares granted to the Participants and 0.21% of the Company's total share capital as at the date of this announcement, the details are as 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
<b>I. Senior management</b>					
1	KONG Dun (孔遁)	Vice president, chief engineer	40	13.3333	33.33%
2	MA Jiangqian (馬江黔)	Vice president	40	13.3333	33.33%
3	LI Xincheng (李新生)	Former vice president	40	13.3333	33.33%
4	HAN Yonggang (韓永剛)	Vice president	44.96	14.9867	33.33%
5	ZHAO Bin (趙斌)	Chief economist	22.32	7.44	33.33%
6	MA Yonghong (馬永紅)	Secretary to the Board	22.32	7.44	33.33%
Subtotal of senior management personnel (6 people)			209.60	69.8666	33.33%
<b>II. Other Participants</b>					
Subtotal of other Participants (629 people)			15,233.64	5,075.1056	33.32%
<b>Total (635 people)</b>			<b>15,443.24</b>	<b>5,144.9722</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 31 March 2025.
- (2) The number of Restricted Shares unlocked under the current unlocking period is 51,449,722.
- (3) Locking and transfer restrictions on the senior management of Restricted Shares unlocked under the current unlocking period
  1. If the Participants are 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; the proceeds they receive from selling the Shares within 6 months after buying, or buying the Shares again within 6 months after selling, shall belong to the Company and the Board will take back such proceeds.
  2. Participants who serve as senior management should extend the lock-up period for 20% of the total number of Restricted Shares granted until their tenure expires, and the release of selling restrictions should be determined based on their tenure assessment or economic performance audits results as senior management.
  3. 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 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 A Shares	111,066,899	0.45%	- 51,449,722	59,617,177	0.24%
Unrestricted A Shares	20,423,408,219	82.55%	+51,449,722	20,474,857,941	82.76%
H Shares	4,207,390,000	17%	0	4,207,390,000	17%
<b>Total number of Shares</b>	<b>24,741,865,118</b>	<b>100%</b>	<b>0</b>	<b>24,741,865,118</b>	<b>100%</b>

#### 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 Second Unlocking Period under the First Grant of the 2021 Restricted Share Incentive Scheme;
2. The Unlocking Conditions of the Second Unlocking Period under the First Grant of the 2021 Restricted Share Incentive Scheme have been fulfilled; the qualification of the relevant Participants eligible for unlocking in the Second Unlocking Period under the First 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 Wenjian**  
*Chairman*

Beijing, the PRC  
25 March 2025

*As at the date of this announcement, the executive directors of the Company are Mr. CHEN Wenjian (Chairman) 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.*