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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 REGARDING UNDERTAKING BY CONTROLLING SHAREHOLDER NOT TO REDUCE ITS HOLDING OF SHARES WITH SELLING RESTRICTIONS IN THE COMPANY

On 13 July 2018, China Railway Group Limited (the "**Company**") received the Letter from China Railway Engineering Group Company Limited Regarding Undertaking Not to Reduce the Holding of Shares with Selling Restrictions in China Railway (《中國鐵路工程集團有限公司關於承諾不減持所持中國中鐵限售股股份的函》) from China Railway Engineering Group Company Limited (the "**CREC**"), the controlling shareholder of the Company, details of which are as follows:

China Securities Regulatory Commission issued the Approval in Relation to the Non-public Issuance of Shares by China Railway Group Limited (Zheng Jian Xu Ke No. [2015] 1312) (《關於核准中國中鐵股份有限公司非公開發行股票的批覆》(證監許可[2015]1312號)) on 18 June 2015, pursuant to which the Company was approved to issue no more than 1,585,200,000 new A shares of the Company. On 14 July 2015, the Company completed the issuance of an aggregate of 1,544,401,543 RMB denominated ordinary shares (A shares) to seven investors including CREC and Beijing Zhong Shang Rong Sheng Trading Company Limited (the "**Issuance**"). Among which, CREC subscribed for 308,880,308 A shares of the Company and undertook not to transfer the shares it subscribed for from the Issuance within 36 months from the date of completion of the Issuance, i.e. the lock-up period shall commence from 14 July 2015 and end on 14 July 2018. The Company has published the Announcement of China Railway Group Limited on the Listing and Trading of Shares with Selling Restrictions from Non-public Issuance (Announcement No.: Lin 2018-052) (《中國中鐵股份有限公司關於非公開發行限售股上市流通公告》(公告編號:臨2018-052)) on 11 July 2018, pursuant to which the above-mentioned shares with selling restrictions held by CREC will be listed and traded on 16 July 2018 (The listing and trading date of the shares with selling restrictions ought to be Saturday, 14 July 2018. Since it is a weekend and a non-trading day, the date of expiration of the lock-up period has been postponed to Monday, 16 July 2018).

Based on its confidence in the prospect of the Company's future development and recognition of the Company's value, and in order to implement the requirements from relevant state authorities regarding strengthening market value management of state-controlled listed companies so as to maintain the stability of the capital markets and the stock price of the Company, CREC undertakes that it will not reduce its holding of the non-publicly issued 308,880,308 shares with selling restrictions it subscribed for in 2015 within 12 months from the date of listing and trading (i.e. from 16 July 2018 to 16 July 2019).

The board of directors of the Company will urge CREC to strictly perform its undertaking, and will fulfil its obligation of information disclosure in accordance with provisions in relevant laws, regulations and normative documents in a timely manner.

By Order of the Board
China Railway Group Limited
LI Changjin
Chairman

13 July 2018

As at the date of this announcement, the executive directors of the Company are LI Changjin (Chairman), ZHANG Zongyan, ZHOU Mengbo and ZHANG Xian; the independent non-executive directors are GUO Peizhang, WEN Baoman, ZHENG Qingzhi and CHUNG Shui Ming Timpson; and the non-executive director is MA Zonglin.