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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 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, and the announcements dated 28 October 2022 and 26 December 2022 in relation to the repurchase and cancellation of part of the Restricted Shares (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 fulfilment 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>

No.	Unlocking Conditions	Status of fulfillment
2	<p data-bbox="384 187 914 300"><b>None of the following events with respect to the Participant has occurred:</b></p> <ul style="list-style-type: none"> <li data-bbox="384 336 914 485">(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="384 527 914 708">(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="384 751 914 1081">(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="384 1123 914 1272">(4) he or she is prohibited from being a director or senior management of a company under the Company Law;</li> <li data-bbox="384 1315 914 1495">(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="384 1538 914 1644">(6) he or she falls under any other circumstances as determined by the CSRC.</li> </ul>	<p data-bbox="938 187 1469 336">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><b>Achievement of the performance appraisal conditions of the Company:</b></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><b>Achievement of the performance appraisal conditions at subsidiary level:</b></p> <table border="1" data-bbox="386 1406 898 1602"> <thead> <tr> <th data-bbox="386 1406 655 1487">Results of appraisal</th> <th data-bbox="655 1406 715 1487">A</th> <th data-bbox="715 1406 774 1487">B</th> <th data-bbox="774 1406 833 1487">C</th> <th data-bbox="833 1406 898 1487">D</th> </tr> </thead> <tbody> <tr> <td data-bbox="386 1487 655 1602">Appraisal coefficient for the organization</td> <td data-bbox="655 1487 715 1602">1.0</td> <td data-bbox="715 1487 774 1602">1.0</td> <td data-bbox="774 1487 833 1602">0.8</td> <td data-bbox="833 1487 898 1602">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="384 187 914 300"><b>Achievement of the performance appraisal conditions at individual level:</b></p> <table border="1" data-bbox="384 331 898 487"> <thead> <tr> <th data-bbox="384 331 655 412"><b>Results of appraisal</b></th> <th data-bbox="655 331 715 412"><b>A</b></th> <th data-bbox="715 331 774 412"><b>B</b></th> <th data-bbox="774 331 833 412"><b>C</b></th> <th data-bbox="833 331 898 412"><b>D</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="384 412 655 487">Standard coefficient</td> <td data-bbox="655 412 715 487">1.0</td> <td data-bbox="715 412 774 487">1.0</td> <td data-bbox="774 412 833 487">0.8</td> <td data-bbox="833 412 898 487">0</td> </tr> </tbody> </table>	<b>Results of appraisal</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	Standard coefficient	1.0	1.0	0.8	0	<p data-bbox="938 187 1471 370">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="938 412 1471 1653" style="list-style-type: none"> <li data-bbox="938 412 1471 640">(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="938 676 1471 1051">(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="938 1087 1471 1653">(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, 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>
<b>Results of appraisal</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>								
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 Xinsheng (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. OPINIONS OF THE SUPERVISORY COMMITTEE

The Supervisory Committee is of the view that, the relevant content and procedures in respect of the fulfilment of Unlocking Conditions for the First Unlocking Period under the First Grant of the Restricted Shares under the 2021 Restricted Share Incentive Scheme are in compliance with the "Administration Measures on Share Incentives of Listed Companies" and other laws and regulations and relevant provisions of the 2021 Restricted Share Incentive Scheme. The achievement of the performance appraisal conditions for the First Unlocking Period, the achievement of the performance appraisal conditions at individual level and the status of the Restricted Shares that can be unlocked during the Unlocking Period are legal and valid, and approves the Company to deal with relevant unlocking procedures in respect of the 55,910,838 Restricted Shares granted to the 687 Participants eligible for unlocking after the expiry of the First Unlocking Period pursuant to the authorization obtained at general meeting and class meeting of the Company.

#### **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*

29 December 2023

*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.*