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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)

**REPURCHASE AND CANCELLATION OF
CERTAIN RESTRICTED SHARES
UNDER 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, 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 and 20 December 2024 in relation to the repurchase and cancellation of part of the Restricted Shares, and the announcements of the Company dated 29 December 2023, 5 February 2024, 30 August 2024, 30 October 2024 and 25 November 2024 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 above announcements.

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 Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Share Incentive Scheme was considered and approved. Pursuant to the above proposal, 2 Participants became unable to hold Restricted Shares of the Company and were disqualified for the 2021 Restricted Share Incentive Scheme, and 3 Participants were disqualified for the 2021 Restricted Share Incentive Scheme due to incompetence to the position, disqualification in performance appraisal, negligence, violation of laws and regulations, etc. In accordance with the 2021 Restricted Share Incentive Scheme and relevant laws and regulations, the Company has decided to repurchase

and cancel certain Restricted Shares under the 2021 Restricted Share Incentive Scheme. The total number of Restricted Shares intended to be repurchased by the Company is 856,199. The repurchase price of the Restricted Shares to be repurchased from 2 Participants is RMB2.944 per share plus the interests calculated according to the benchmark deposit interest rate published by the People's Bank of China for the same period, and the repurchase price of the Restricted Shares to be repurchased from 3 Participants is RMB2.944 per share.

None of the Participants for the proposed cancellation of Restricted Shares are connected persons as defined under the Hong Kong Listing Rules. The relevant matters are explained as follows:

I. REASONS, NUMBER, PRICE AND SOURCE OF FUNDS FOR THE REPURCHASE AND CANCELLATION

1. Reasons for the repurchase and cancellation

Among the Participants under the 2021 Restricted Share Incentive Scheme of the Company, 2 Participants became unable to hold Restricted Shares of the Company and were disqualified for the 2021 Restricted Share Incentive Scheme, and 3 Participants were disqualified for the 2021 Restricted Share Incentive Scheme due to incompetence to the position, disqualification in performance appraisal, negligence, violation of laws and regulations, etc. In accordance with the 2021 Restricted Share Incentive Scheme and relevant laws and regulations, the Company has decided to repurchase from the above 5 Participants all the Restricted Shares granted but not yet unlocked and cancel the same.

2. Number of repurchase and cancellation

The total number of Restricted Shares intended to be repurchased and cancelled by the Company from the above 5 Participants which were granted but not yet unlocked is 856,199.

3. Price for the repurchase and cancellation

Pursuant to relevant provisions of the 2021 Restricted Share Incentive Scheme, where a Participant becomes unable to hold Restricted Shares of the Company, the Restricted Shares not satisfied with the Unlocking Conditions shall be repurchased by the Company at the Grant Price plus the interests as calculated at the benchmark interest rate for deposits of the same period published by the People's Bank of China when repurchasing and cancelling; where a Participant is disqualified for the 2021 Restricted Share Incentive Scheme due to incompetence to the position, disqualification in performance appraisal, negligence, violation of laws and regulations, etc., all Restricted Shares held by such Participant that are still locked up shall be repurchased and cancelled by the Company at a repurchase price equal to the lower of the Grant Price and the market price of shares. If the Company has made dividend distribution, the repurchase price of the Restricted Shares shall be adjusted accordingly in accordance with the following formula: $P=P_0-V$, among

which, P0 represents the repurchase price per Restricted Share prior to adjustment; V represents the dividend per share; and P represents the adjusted repurchase price per Restricted Share.

The Grant Price of the Restricted Shares under the first grant to be repurchased is RMB3.55 per share. In view of the implementation of the 2021 Equity Distribution Plan by the Company on 29 July 2022, the implementation of the 2022 Equity Distribution Plan by the Company on 28 July 2023, and the implementation of the 2023 Equity Distribution Plan by the Company on 26 July 2024, an aggregate cash dividend of RMB0.606 per share (RMB0.196 in 2021, RMB0.2 in 2022 and RMB0.21 in 2023) had been distributed to the Participants under the first grant of the Restricted Shares. Thus, the adjusted repurchase price of the Restricted Shares is: $P = 3.55 - 0.606 = \text{RMB}2.944$ per share.

Therefore, the repurchase price of the Restricted Shares for the 2 Participants who became unable to hold Restricted Shares of the Company is the sum of the adjusted Grant Price of RMB2.944 per share plus the interests as calculated at the benchmark interest rate for deposits of the same period published by the People's Bank of China; the repurchase price of the Restricted Shares for the 3 Participants who were disqualified for the 2021 Restricted Share Incentive Scheme due to incompetence to the position, disqualification in performance appraisal, negligence, violation of laws and regulations, etc. is the lower of the adjusted Grant Price of RMB2.944 per share and the market price of RMB5.77 per share at the time of repurchase, i.e., RMB2.944 per share.

4. Source of funds for the repurchase and cancellation

The total amount payable by the Company for the repurchase of the Restricted Shares is RMB2,587,940.73. The payment will be funded by the Company's internal resources.

II. TABLE ON CHANGES IN SHAREHOLDING STRUCTURE AFTER THE REPURCHASE AND CANCELLATION

After the repurchase and cancellation, the total number of Shares of the Company will be reduced from 24,741,865,118 Shares to 24,741,008,919 Shares. The changes in the shareholding structure of the Company are as follows:

Class of Shares	Before the change		Change (Share) (+/-)	After the change	
	Number of shares	Proportion		Number of shares	Proportion
Shares subject to selling restrictions (A Shares)	111,066,899	0.45%	-856,199	110,210,700	0.45%
Shares not subject to selling restrictions (A Shares)	20,423,408,219	82.55%	0	20,423,408,219	82.55%
H Shares	<u>4,207,390,000</u>	<u>17.00%</u>	<u>0</u>	<u>4,207,390,000</u>	<u>17.00%</u>
Total Shares	<u>24,741,865,118</u>	<u>100%</u>	<u>-856,199</u>	<u>24,741,008,919</u>	<u>100%</u>

The completion of the repurchase and cancellation will not result in any change in the controlling shareholder or actual controller of the Company. The shareholding distribution of the Company will remain eligible for listing. Meanwhile, the 2021 Restricted Incentive Scheme will continue to be implemented in accordance with the regulatory requirements.

III. EFFECT OF THE REPURCHASE AND CANCELLATION ON THE COMPANY

The Company's repurchase and cancellation of Restricted Shares will not have a substantial impact on the Company's financial position and operating results, and will not prevent the management of the Company from working diligently and responsibly. The management of the Company will continue to perform its duties conscientiously so as to create value for shareholders.

IV. OPINIONS OF THE SUPERVISORY COMMITTEE

The Supervisory Committee is of the opinion that pursuant to the related provisions of the Administrative Measures on Incentive Scheme of Listed Companies and the 2021 Restricted Share Incentive Scheme, among the Participants under the 2021 Restricted Share Incentive Scheme of the Company, 2 Participants became unable to hold Restricted Shares of the Company and were disqualified for the 2021 Restricted Share Incentive Scheme, and 3 Participants were disqualified for the 2021 Restricted Share Incentive Scheme due to incompetence to the position, disqualification in performance appraisal, negligence, violation of laws and regulations, etc. The Supervisory Committee agreed to the repurchase of 856,199 Restricted Shares in total which were granted but not yet unlocked and the cancellation of the

same. The Company's repurchase and cancellation of such Restricted Shares under the 2021 Restricted Share Incentive Scheme and the adjustment of the repurchase price were in compliance with the provisions of relevant laws and regulations and the 2021 Restricted Share Incentive Scheme, and the deliberation procedures are legal and valid, and will not affect the operating results and financial position of the Company and there will not be any prejudice to the interest of the Company and its shareholders.

V. 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 at this stage in respect of the repurchase and cancellation have been obtained, which was in compliance with the related provisions of the Administrative Measures on Incentive Scheme of Listed Companies and the 2021 Restricted Share Incentive Scheme.
2. The reasons for the repurchase and cancellation and the number, price and source of funds of repurchase of the Restricted Shares were in compliance with the related provisions of the Administrative Measures on Incentive Scheme of Listed Companies, the Work Guidelines for the Implementation of Equity Incentives by Listed Companies Controlled by Centrally Administered Enterprises and the 2021 Restricted Share Incentive Scheme, and the repurchase and cancellation are legal and valid.

By order of the Board
China Railway Group Limited
Chen Wenjian
Chairman

Beijing, the PRC
13 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.