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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)*

**IMPLEMENTATION OF THE 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, 20 December 2024, 13 March 2025 and 9 June 2025 in relation to the repurchase and cancellation of part of the Restricted Shares (the “**Repurchase and Cancellation**”), and the announcements dated 29 December 2023, 5 February 2024, 30 August 2024, 30 October 2024, 25 November 2024, 13 March 2025, 25 March 2025 and 29 September 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 fifteenth meeting of the sixth session of the Board was held by the Company on 29 September 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.

REASONS AND BASIS FOR THE REPURCHASE AND CANCELLATION

In accordance with the relevant provisions of the 2021 Restricted Share Incentive Scheme, the performance assessment requirements for the Company during the third unlocking period and the actual performance of the Company in 2024 are as follows:

2024 Company-level performance evaluation indicators

The weighted average returns on net assets after deducting nonrecurring profit and loss for 2024 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 (9.27%)

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 2024 shall not be less than 12% and not lower than the average performance of industry peers or the 75th percentile of the benchmarking companies (14.75%)

Achieve the economic value added (EAV) performance targets of SASAC for 2024 (no less than RMB33.336 billion)

In view of the fact that the performance evaluation indicators set out at the Company level for the third unlocking period of the Company's 2021 Restricted Share Incentive Scheme have not been met, in accordance with the provisions of the 2021 Restricted Share Incentive Scheme and relevant laws and regulations, the Company has decided to repurchase and cancel the Restricted Shares held by 678 Participants which were granted but have not met the unlocking conditions for the third unlocking period.

NUMBER OF REPURCHASE AND CANCELLATION

The Company intends to repurchase and cancel a total of 54,786,990 Restricted Shares held by the aforementioned 678 Participants which were granted but have not met the unlocking conditions for the third unlocking period. This includes the repurchase and cancellation of 50,813,003 Restricted Shares granted to 628 Participants under the first grant but have not met the unlocking conditions for the third unlocking period, and 3,973,987 Restricted Shares granted to 50 Participants under the reserved grant but have not met the unlocking conditions for the third unlocking period.

Actual performance of the Company in 2024

The weighted average returns on net assets after deducting non-recurring profit and loss for 2024 is 8.28%

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 2024 is 2.74%

Had not achieved the economic value added (EAV) performance targets for 2024

Upon completion of the Repurchase and Cancellation, the Company will have 3,973,988 Restricted Shares remaining.

ARRANGEMENTS FOR THE REPURCHASE AND CANCELLATION

The Company has opened a special securities account for the repurchase with the China Securities Depository and Clearing Corporation Limited, Shanghai Branch (“**CSDC Shanghai Branch**”), and has made an application at the CSDC Shanghai Branch to proceed the repurchase and cancellation procedures of the 54,786,990 Restricted Shares which are granted but not yet unlocked and held by the abovementioned 678 Participants. The Repurchase and Cancellation is expected to be completed on 24 November 2025.

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY UPON THE REPURCHASE AND CANCELLATION

Upon the completion of the Repurchase and Cancellation, the total number of Shares of the Company will be reduced from 24,741,008,919 Shares to 24,686,221,929 Shares. The changes in the shareholding structure of the Company are as follows:

Class of Shares	Before current change		Current change		After current change	
	Number of Shares	Proportion		(+/-)	Number of Shares	Proportion
Shares with selling restrictions	58,760,978	0.24%	-54,786,990		3,973,988	0.02%
Shares without selling restrictions	24,682,247,941	99.76%	0		24,682,247,941	99.98%
Total number of Shares	24,741,008,919	100%	-54,786,990		24,686,221,929	100%

The completion of the Repurchase and Cancellation will not result in any change in the controlling shareholder (as defined in the Listing Rules) 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.

STATEMENTS AND UNDERTAKINGS

The Board of the Company is of the view that the decision-making process and information disclosure relating to the Repurchase and Cancellation complied with the laws and regulations of the Administrative Measures on Incentive Scheme of Listed Companies and the 2021 Restricted Share Incentive Scheme, without prejudice to the legitimate rights and interests of the Participants and benefits of the creditors.

The Company undertakes that the Company has verified and guaranteed the truthfulness, accuracy and completeness of information in respect of the Participants, the number of Shares and the cancellation date in relation to the Repurchase and Cancellation, and has duly informed the relevant Participants of the Repurchase and Cancellation, who have not raised objection against the Repurchase and Cancellation. In case dispute arises between the Company and the Participants as a result of the Repurchase and Cancellation, the Company shall bear the relevant legal liabilities.

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.
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 and the 2021 Restricted Share Incentive Scheme.
3. The implementation of the Repurchase and Cancellation were in compliance with the related provisions of the Administrative Measures on Incentive Scheme of Listed Companies and the 2021 Restricted Share Incentive Scheme. Upon completion of the Repurchase and Cancellation, the Company will complete the industrial and commercial registration and filing procedures for the Repurchase and Cancellation in accordance with the provisions of the Company Law and other laws and regulations.

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

Beijing, the PRC
19 November 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 directors of the Company are Mr. WEN Limin and Mr. FANG Xiaobing; the independent non-executive directors of the Company are Mr. XIU Long, Ms. SUN Lishi and Mr. TU Haiming.