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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)

RESULTS ANNOUNCEMENT FOR THE YEAR OF 2024

The board of directors (the “**Board**” or “**Board of Directors**”) of China Railway Group Limited (the “**Company**” or “**China Railway**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2024.

1 CORPORATE INFORMATION

Basic Information

Stock Name:	China Railway (A Share)	China Railway (H Share)
Stock Code:	601390	390
Stock Exchange on which Shares are Listed:	Shanghai Stock Exchange	The Stock Exchange of Hong Kong Limited
Registered Address:	918, Block 1, No. 128, South 4th Ring Road West, Fengtai District, Beijing, People's Republic of China	
Postal Code:	100070	
Website:	www.crec.cn	
E-mail:	ir@crec.cn	

Contact Details

Name:	Ma Yonghong (Board secretary)	Duan Yinhua (Securities affairs representative)
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2 SUMMARY OF ACCOUNTING DATA

2.1 Key Accounting Data Prepared under International Financial Reporting Standard (“IFRS”)

2.1.1 Summary of Consolidated Statement of Profit or Loss

	For the year ended 31 December					Change
	2024	2023	2022	2021	2020	2024 vs 2023
	<i>RMB million</i>					<i>(%)</i>
Revenue						
Infrastructure Construction	1,020,533	1,133,077	1,019,730	953,038	876,310	-9.9
Survey, Design and Consulting Services	18,523	19,269	19,795	18,607	17,321	-3.9
Engineering Equipment and Component Manufacturing	35,898	35,978	38,863	33,176	29,793	-0.2
Property Development	48,870	51,563	54,082	51,300	49,763	-5.2
Other Businesses	102,209	109,785	111,538	101,942	74,183	-6.9
Inter-segment Eliminations and Adjustments	(65,722)	(86,260)	(89,659)	(84,791)	(72,638)	
Total	<u>1,160,311</u>	<u>1,263,412</u>	<u>1,154,349</u>	<u>1,073,272</u>	<u>974,732</u>	<u>-8.2</u>
Gross Profit	110,231	122,686	108,890	103,386	90,189	-10.2
Profit before Tax	40,613	47,581	44,692	39,636	35,612	-14.6
Profit for the Year	<u>30,758</u>	<u>37,637</u>	<u>34,967</u>	<u>30,470</u>	<u>27,250</u>	<u>-18.3</u>
Profit for the Year attributable to Owners of the Company	<u>27,887</u>	<u>33,483</u>	<u>31,273</u>	<u>27,618</u>	<u>25,188</u>	<u>-16.7</u>
Earnings per share (RMB)						
- Basic	1.085	1.294	1.198	1.037	0.963	-16.2
- Diluted	<u>1.084</u>	<u>1.292</u>	<u>1.198</u>	<u>1.037</u>	<u>0.963</u>	<u>-16.1</u>

2.1.2 Summary of Consolidated Statement of Financial Position

	As at 31 December					Change
	2024	2023	2022	2021	2020	2024 vs 2023 (%)
	<i>RMB million</i>					
Assets						
Current Assets	1,264,093	1,005,695	898,566	801,012	742,107	25.7
Non-current Assets	992,173	823,595	714,569	560,672	457,870	20.5
Total Assets	<u>2,256,266</u>	<u>1,829,290</u>	<u>1,613,135</u>	<u>1,361,684</u>	<u>1,199,977</u>	<u>23.3</u>
Liabilities						
Current Liabilities	1,276,197	1,010,641	873,375	787,860	705,145	26.3
Non-current Liabilities	470,077	358,895	316,891	215,666	181,786	31.0
Total Liabilities	<u>1,746,274</u>	<u>1,369,536</u>	<u>1,190,266</u>	<u>1,003,526</u>	<u>886,931</u>	<u>27.5</u>
Total Equity	<u>509,992</u>	<u>459,754</u>	<u>422,869</u>	<u>358,158</u>	<u>313,046</u>	<u>10.9</u>
Total Equity and Liabilities	<u>2,256,266</u>	<u>1,829,290</u>	<u>1,613,135</u>	<u>1,361,684</u>	<u>1,199,977</u>	<u>23.3</u>

2.2 Differences between Chinese Accounting Standard (“CAS”) and IFRS

	Net assets as at 31 December 2024 <i>RMB million</i>	Profit for the year ended 31 December 2024 <i>RMB million</i>
Amount attributable to the shareholders of the Company stated in the financial statements prepared in accordance with CAS	354,715	27,887
Adjustments as required by IFRS:		
– Recognition of loss on shares conversion scheme of a subsidiary	<u>(148)</u>	<u>–</u>
Amount attributable to the owners of the Company stated in the financial statements prepared in accordance with IFRS	<u>354,567</u>	<u>27,887</u>

3 CHANGES IN SHARE CAPITAL AND INFORMATION ON SHAREHOLDERS

3.1 Changes in Shares Capital

3.1.1 Changes in shares

	Before the Change		Increase/decrease in the change (+,-)					After the change	
	Number	Percentage (%)	Issuance of new shares	Bonus Shares	Reserve converted to shares	Other	Sub-total	Number	Percentage (%)
I. Shares with selling restrictions	181,266,700	0.73	0	0	0	-70,199,801	-70,199,801	111,066,899	0.45
1. Shares held by the State	0	0	0	0	0	0	0	0	0
2. Shares held by the State-owned legal person	0	0	0	0	0	0	0	0	0
3. Shares held by other domestic shareholders	181,266,700	0.73	0	0	0	-70,199,801	-70,199,801	111,066,899	0.45
Including: Shares held by domestic non-state-owned legal person	0	0	0	0	0	0	0	0	0
Shares held by domestic natural person	181,266,700	0.73	0	0	0	-70,199,801	-70,199,801	111,066,899	0.45
4. Shares held by foreign shareholders	0	0	0	0	0	0	0	0	0
Including: Shares held by foreign legal person	0	0	0	0	0	0	0	0	0
Shares held by foreign natural person	0	0	0	0	0	0	0	0	0
II. Tradable shares without selling restrictions	24,570,929,283	99.27	0	0	0	59,868,936	59,868,936	24,630,798,219	99.55
1. RMB-denominated ordinary shares	20,363,539,283	82.27	0	0	0	59,868,936	59,868,936	20,423,408,219	82.55
2. Domestically-listed foreign shares	0	0	0	0	0	0	0	0	0
3. Overseas listed foreign shares	4,207,390,000	17	0	0	0	0	0	4,207,390,000	17
4. Other	0	0	0	0	0	0	0	0	0
III. Total number of shares	24,752,195,983	100	0	0	0	-10,330,865	-10,330,865	24,741,865,118	100

3.1.2 Explanation on changes in shares

On 23 February 2024, the number of restricted shares unlocked and listed under the first unlocking period under the first grant of the Company's 2021 restricted share incentive scheme (the "**2021 Restricted Share Incentive Scheme**") was 55,910,838 shares.

On 11 March 2024, among the participants in the first grant under the 2021 Restricted Share Incentive Scheme of the Company, 1 participant was transferred from the Company and ceased to take office in the Company due to organizational arrangements, 1 participant was deceased, 1 participant resigned from the Company during the employment contract period, 2 participants violated laws and regulations and 2 participants received a fair performance rating in the 2022 annual individual performance appraisal (80% of their restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares were repurchased and canceled by the Company), and therefore in accordance with the 2021 Restricted Share Incentive Scheme and relevant laws and regulations, the Company repurchased and canceled from the above 7 participants of the restricted shares (1,566,166 restricted shares in total) which were granted but not yet unlocked. The total number of Shares of the Company was reduced from 24,752,195,983 Shares to 24,750,629,817 Shares.

On 2 December 2024, the number of restricted shares unlocked and listed under the first unlocking period under the reserved grant of the Company's 2021 Restricted Share Incentive Scheme was 3,958,098 shares.

On 25 December 2024, among the participants in the first grant under the 2021 Restricted Share Incentive Scheme of the Company, 1 participant was transferred from the Company and ceased to take office in the Company due to organizational arrangements, 36 participants retired normally as the legal retirement age was reached and the time of retirement was more than 6 months before the selling restrictions are unlocked, 2 participants resigned from the Company during the employment contract period, 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; among the participants in the reserved grant, 1 participant received a fair performance rating in the 2022 annual individual performance appraisal (80% of the restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares would be repurchased and canceled by the Company). In accordance with the 2021 Restricted Share Incentive Scheme and relevant laws and regulations, the Company repurchased and canceled from the above 43 participants of the restricted shares (7,384,576 restricted shares in total) which were granted but not yet unlocked; among the participants in the first grant under the 2021 Restricted Share Incentive Scheme of the Company, 1 participant became unable to hold restricted shares of the Company after becoming a management leader of the State-owned Assets Supervision and Administration Commission of the State Council,

1 participant was transferred from the Company due to organizational arrangements and the time of transfer was more than 6 months before the selling restrictions for the second batch are unlocked, 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., 1 participant was transferred from the Company due to organizational arrangements and the time of transfer was less than 6 months before the selling restrictions for the second batch are unlocked but more than 6 months before the selling restrictions for the third batch are unlocked, 6 participants retired normally as the legal retirement age was reached and the time of retirement was less than 6 months before the selling restrictions for the second batch are unlocked but more than 6 months before the selling restrictions for the third batch are unlocked, and 2 participants received a competent performance rating in the 2023 annual individual performance appraisal (80% of the restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares would be repurchased and canceled by the Company). In accordance with the 2021 Restricted Share Incentive Scheme and relevant laws and regulations, the Company repurchased and canceled from the above 14 participants of the restricted shares (1,380,123 restricted shares in total) which were granted but not yet unlocked. The total number of Shares of the Company was reduced from 24,750,629,817 Shares to 24,741,865,118 Shares.

On 13 March 2025, 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 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 shares.

On 13 March 2025, prior to the expiration of the second unlocking period, among the 640 participants in the first grant under the 2021 Restricted Share Incentive Scheme who are qualified for the unlocking during the second unlocking period (the number of the restricted shares which are involved in the unlocking is 51,877,822 Shares), 2 participants became unable to hold restricted shares of the Company and 3 participants were disqualified for the 2021 Restricted Share Incentive Scheme. The Company is required to repurchase from the above 5 participants all the restricted shares granted but not yet unlocked and cancel the same, as well as adjust matters relating to the unlocking of restrictions for the second unlocking period under the first grant. The number of participants under the first grant who are qualified for the unlocking during the second unlocking period after the adjustment is 635, the number of the restricted shares which are involved in the unlocking after the adjustment is 51,449,722 shares.

The number of restricted shares to be unlocked and listed under the second unlocking period under the first grant of the Company's 2021 Restricted Share Incentive Scheme on 31 March 2025 will be 51,449,722 shares.

3.1.3 Impact of changes in shares after the reporting period and prior to the date of the annual report on earnings per share, net asset value per share or other financial indicators (if any)

Unit: Yuan Currency: RMB

Financial Indicator	Whole year of 2024		Fourth Quarter of 2024	
	Taking into account the repurchase and cancellation of restricted shares	Without taking into account the repurchase and cancellation of restricted shares	Taking into account the repurchase and cancellation of restricted shares	Without taking into account the repurchase and cancellation of restricted shares
Earnings per share	1.085	1.085	0.301	0.297
Net assets per share	12.30	12.29	0.31	0.31

Note :

1. *When calculating earnings per share, the restricted shares that have not yet met the unlocking conditions are deducted from the weighted average number of ordinary shares issued by the Company.*
2. *According to relevant accounting standards, when calculating earnings per share, the net profit attributable to shareholders of the listed company should deduct dividends or interest on preferred shares, perpetual bonds and other equity instruments as well as the impact of restricted shares.*
3. *When calculating net assets per share, the net assets attributable to shareholders of the listed company shall deduct the impact of preferred shares, perpetual bonds and other equity instruments.*

3.1.4 Other contents that the Company deems necessary or required by the securities regulatory authority to be disclosed

Not applicable

3.2 Changes in Shares with Selling Restrictions

Unit: Shares

Name of Shareholder	Number of restricted shares at the beginning of the reporting period	Number of shares released from selling restrictions during the reporting period	Number of restricted shares granted during the reporting period	Number of restricted shares at the end of the reporting period	Reasons for selling restrictions	Date of releasing selling restrictions
Participants for restricted shares	181,266,700	70,199,801	0	111,066,899	The unlocking conditions for the first unlocking period under the first grant of the 2021 Restricted Share Incentive Scheme were fulfilled and 59,868,936 restricted shares were unlocked and listed. 10,330,865 restricted shares were repurchased and cancelled as the unlocking conditions were not fulfilled.	23 February 2024, 2 December 2024
Total	<u>181,266,700</u>	<u>70,199,801</u>	<u>0</u>	<u>111,066,899</u>		

3.3 Issuance and Listing of Securities

3.3.1 Issuance of securities as at the reporting period

Not applicable

3.3.2 Changes in respect of the total number of shares and the shareholder structure of the Company and changes in respect of the asset and liability structure of the Company

Not applicable

3.3.3 Existing shares held by internal employee

Not applicable

3.4 Information of Shareholders and Ultimate Controller

3.4.1 Number of shareholders

Total number of shareholders of ordinary shares as at the end of the reporting period	464,569
Total number of shareholders of ordinary shares at the end of the month preceding the date of the annual report	466,293
Total number of shareholders of preference shares with reinstated voting rights as at the end of the reporting period	0
Total number of shareholders of preference shares with reinstated voting rights at the end of the month preceding the date of annual report	0

3.4.2 Shareholdings of the top ten shareholders and top ten shareholders of tradable shares (or shareholders without selling restrictions) as at the end of the reporting period

Unit: Shares

Shareholdings of the top ten shareholders

Name of Shareholder (Full name)	Increase/ decrease during the reporting report	Total number of shares held at the end of the period	Shareholder percentage (%)	Number of shares with selling restriction	Conditions of shares	Pledged or frozen shares Number	Nature of Shareholder
China Railway Engineering Group Company Limited (“CREC”)	0	11,623,119,890	46.98	0	Nil	0	State-owned legal person
HKSCC Nominees Limited	529,029	4,010,733,746	16.21	0	Nil	0	Other
China Reform Development Investment Co., Ltd	123,341,567	742,605,892	3.00	0	Nil	0	State-owned legal person
China Securities Finance Corporation Limited	162,516,837	619,264,325	2.50	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	-28,017,126	514,285,344	2.08	0	Nil	0	Other
Central Huijin Asset Management Ltd.	0	230,435,700	0.93	0	Nil	0	State-owned legal person
Industrial and Commercial Bank of China – SSE 50 Exchange-traded Open-End Index Securities Investment Fund	67,811,563	193,002,605	0.78	0	Nil	0	Other
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	100,549,648	177,334,519	0.72	0	Nil	0	Other
China Great Wall Asset Management Co., Ltd	0	138,562,835	0.56	0	Nil	0	Other
Boshi Fund – Agricultural Bank of China – Boshi China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other

Name of Shareholder (Full name)	Increase/ decrease during the reporting report	Total number of shares held at the end of the period	Shareholder percentage (%)	Number of shares with selling restriction	Pledged or frozen shares		Nature of Shareholder
					Conditions of shares	Number	
Yifangda Fund – Agricultural Bank of China – Yifangda China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other
Dacheng Fund – Agricultural Bank of China – Dacheng China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other
Jiashi Fund – Agricultural Bank of China – Jiashi China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other
Guangfa Fund – Agricultural Bank of China – Guangfa China Securities Financial Asset Management Fund	0	131,135,600	0.53	0	Nil	0	Other
Central European Fund – Agricultural Bank of China – Central European China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other
Huaxia Fund – Agricultural Bank of China – Huaxia China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other
Yinhua Fund – Agricultural Bank of China – Yinhua China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other
Southern Fund – Agricultural Bank of China – Southern China Securities Financial Asset Management Plan	0	131,135,600	0.53	0	Nil	0	Other

Shareholdings of the top ten shareholders without selling restrictions

Name of shareholder	Number of shares held without selling restrictions	Type and number of shares	
		Type	Number
CREC	11,458,725,890	RMB-denominated ordinary shares	11,458,725,890
	164,394,000	Overseas listed foreign shares	164,394,000
HKSCC Nominees Limited	4,010,733,746	Overseas listed foreign shares	4,010,733,746
China Reform Development Investment Management Co., Ltd.	742,605,892	RMB-denominated ordinary shares	742,605,892
China Securities Finance Corporation Limited	619,264,325	RMB-denominated ordinary shares	619,264,325
Hong Kong Securities Clearing Company Limited	514,285,344	RMB-denominated ordinary shares	514,285,344
Central Huijin Asset Management Ltd.	230,435,700	RMB-denominated ordinary shares	230,435,700
Industrial and Commercial Bank of China – SSE 50 Exchange-traded Open-End Index Securities Investment Fund	193,002,605	RMB-denominated ordinary shares	193,002,605
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	177,334,519	RMB-denominated ordinary shares	177,334,519
China Great Wall Asset Management Co., Ltd.	138,562,835	RMB-denominated ordinary shares	138,562,835
Boshi Fund – Agricultural Bank of China – Boshi China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600
Yifangda Fund – Agricultural Bank of China – Yifangda China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600
Dacheng Fund – Agricultural Bank of China – Dacheng China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600
Jiashi Fund – Agricultural Bank of China – Jiashi China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600
Guangfa Fund – Agricultural Bank of China – Guangfa China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600
Central European Fund – Agricultural Bank of China – Central European China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600

Name of shareholder	Number of shares held without selling restrictions	Type and number of shares	
		Type	Number
Huaxia Fund – Agricultural Bank of China – Huaxia China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600
Yinhua Fund – Agricultural Bank of China – Yinhua China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600
Southern Fund – Agricultural Bank of China – Southern China Securities Financial Asset Management Plan	131,135,600	RMB-denominated ordinary shares	131,135,600

Statement on the special account for repurchase of the top ten shareholders Nil

Statement on entrustment of voting right, voting right by proxy and abstaining from voting of the shareholders above Nil

Statement on the related relations and concerted actions between the shareholders above CREC, the largest shareholder, does not have related relations or acting-in-concert relationship with the other above shareholders. The Company is not aware of any related relationships or acting-in-concert relationship among the other above shareholders.

Statement on shareholders of preference shares with reinstated voting rights and the number of shares held Nil

Note 1: H shares held by HKSCC Nominees Limited are held on behalf of its various clients, and the number of H shares held by CREC is already deducted.

Note 2: A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of its various clients.

Note 3: The data shown in the table is based on the register of members of the Company as of 31 December 2024.

3.4.3 Particulars of shares lent in the refinancing business by shareholders holding more than 5% of the shares, the top ten shareholders and the top ten shareholders without selling restrictions

Unit: Shares

Name of shareholder (full name)	Shareholding held in ordinary accounts and credit accounts at the beginning of the period		Shareholding lent through securities lending and borrowing but not returned at the beginning of the period		Shareholding held in ordinary accounts and credit accounts at the end of the period		Shareholding lent through securities lending and borrowing but not returned at the end of the period	
	<i>Total number of shares</i>	<i>Shareholding percentage (%)</i>	<i>Total number of shares</i>	<i>Shareholding percentage (%)</i>	<i>Total number of shares</i>	<i>Shareholding percentage (%)</i>	<i>Total number of shares</i>	<i>Shareholding percentage (%)</i>
	Industrial and Commercial Bank of China – SSE 50 Exchange-traded Open- End Index Securities Investment Fund	125,191,042	0.51	857,000	0	193,002,605	0.78	0
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	76,784,871	0.31	84,600	0	177,334,519	0.72	0	0

3.4.4 Change in top ten shareholders and the top ten shareholders without selling restrictions as compared to the previous period as a result of refinancing lending/returning

Unit: Shares

Name of shareholder (full name)	Addition/withdrawal during the reporting period	Number of shares lent through securities lending and borrowing but not returned at the end of the period		Number of shares held in ordinary accounts, credit accounts and shares lent through securities lending and borrowing but not returned at the end of the period	
		Total number of shares	Shareholding Percentage (%)	Total Number of Shares	Shareholding Percentage (%)
		Industrial and Commercial Bank of China – SSE 50 Exchange-traded Open-End Index Securities Investment Fund	Withdrawal	0	0
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	Withdrawal	0	0	0	0

3.4.5 Shareholdings of top ten shareholders of shares with selling restrictions and terms of selling restrictions

Not applicable

3.4.6 Strategic investors or general legal persons becoming the top ten shareholders by placing of new shares

Not applicable

3.5 Substantial Shareholders and Holders of Interests or Short Positions Required to be Disclosed under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the “SFO”)

As at 31 December 2024, the Company had been informed by the following persons that they had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be maintained under Section 336 of the SFO:

Holder of A shares

Name of substantial shareholders	Capacity	Number of A shares held (Shares)	Nature of interest	Approximate percentage of issued A shares (%)	Approximate percentage of total issued shares (%)
CREC	Beneficial owner	11,458,725,890	Long position	55.80	46.31

Holder of H shares

Name of substantial shareholders	Capacity	Number of H shares held (Shares)	Nature of interest	Approximate percentage of issued H shares (%)	Approximate percentage of total issued shares (%)
BlackRock, Inc.	Interest of controlled corporations	250,020,003	Long position	5.94	1.01
		35,479,000	Short position	0.08	0.14

Note: The interests or short positions include the underlying shares as follows:

Name of substantial shareholders	Long Position				Short Position			
	Listed equity derivative payment in kind	Listed equity derivatives settled in cash	Non-listed equity derivatives payment in kind	Non-listed equity derivatives settled in cash	Listed equity derivatives payment in kind	Listed equity derivatives settled in cash	Non-listed equity derivatives payment in kind	Non-listed equity derivatives settled in cash
BlackRock, Inc.	-	-	-	13,130,000	-	-	-	31,650,000

Apart from the foregoing, as at 31 December 2024, no person or corporation had any interest in the share capital of the Company as recorded in the register required to be kept under section 336 of the SFO as having an interest of or any short position in the issued share capital of the Company that would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

3.6 Information on Controlling Shareholder and Ultimate Controller

3.6.1 Details of controlling shareholder

(1) Legal person

Name	China Railway Engineering Group Company Limited
Person-in-charge or Legal representative	Chen Wenjian
Date of establishment	7 March 1990
Principal business	Construction works, related engineering technological research, survey, design, services, manufacturing of specialized equipment and real estate development and operation.
Details of controlling interests and investments in other domestic and overseas-listed companies during the reporting period	Nil
Other information	Nil

(2) Natural person

Not applicable

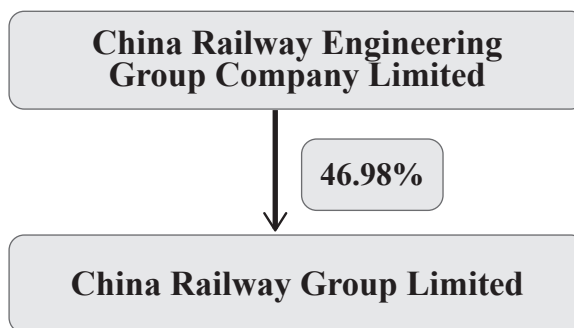
(3) Special explanation that the Company does not have any controlling shareholder

Not applicable

(4) Details of changes of the controlling shareholder during the reporting period

Not applicable

3.6.2 The diagram of the interests and controlling relationships between the company and the ultimate controller



3.6.3 Details of ultimate controller

(1) Legal person

Ultimate controller of the Company – State-owned Assets Supervision and Administration Commission of the State Council (“SASAC”), which is the ministry level institution directly under the State Council, and was set up in accordance with the institutional reform plan of the State Council and the Notice of the State Council on Establishment of Institutions passed at the First Session of the 10th National People’s Congress. The SASAC is authorised by the State Council to perform its duties as an investor on behalf of the State. The scope of supervision of the SASAC extends to the state-owned assets of central government owned enterprises (excluding financial enterprises). Currently, the State-owned Assets Supervision and Administration Commission holds 90% equity interests in CREC and National Social Security Fund holds 10% equity interests in CREC.

(2) Natural person

Not applicable

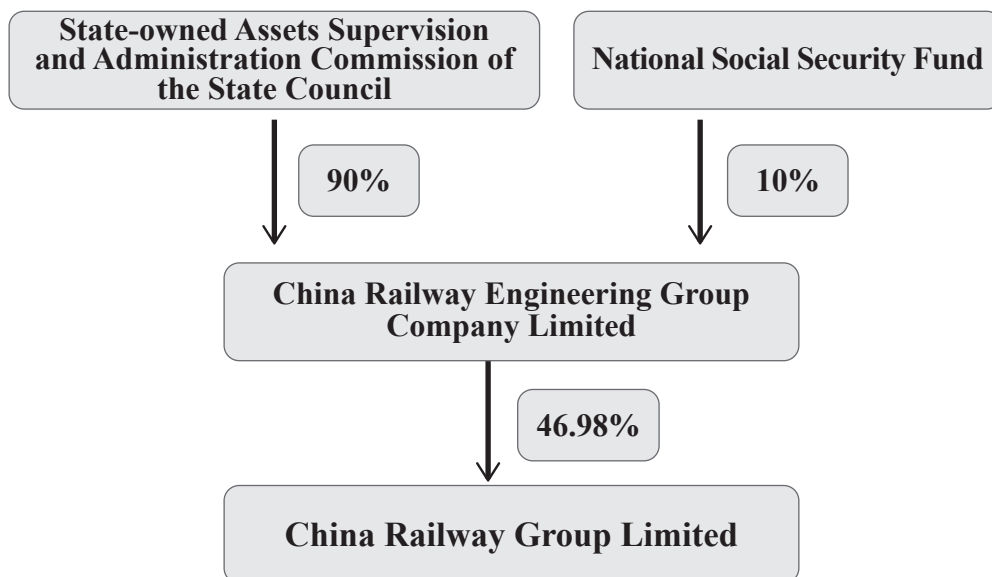
(3) Special explanation that the Company does not have any controlling shareholder

Not applicable

(4) Details of changes of the controlling shareholder during the reporting period

Not applicable

3.6.4 The diagram of the interests and controlling relationships between the company and the ultimate controller



3.6.5 Ultimate controller control the company through trust or other asset management methods

Not applicable

3.7 The Company's Controlling Shareholder or the Largest Shareholder and the Party Acting in Concert thereof holding Cumulative Pledged Shares accounting for over 80% of the Company's Shares

Not applicable

3.8 Other Legal Person Shareholders with Shareholding of over 10%

As of the end of the reporting period, except for HKSCC Nominees Limited, the Company has no other legal person shareholders with shareholding over 10%.

3.9 Information on the Restrictions on Reduction of Shareholdings

Not applicable

3.10 Details of Repurchase of Shares during the Reporting Period

Details are set out in "Repurchase, Sale or Redemption of Securities" on page 140 to page 142 of this announcement.

4 MANAGEMENT DISCUSSION AND ANALYSIS

4.1 Review and Outlook

In 2024, in the face of the complex and changing external environment, the Company insisted on the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics in the New Era, fully implemented the decisions and deployments of the CPC Central Committee and the State Council, and the work requirements of the SASAC, and always kept in mind the country's most fundamental interests, adhered to the general principle of seeking progress while maintaining stability, continuously strengthened its core functions and core competitiveness, demonstrated its role as a central enterprise in serving the national strategy, stimulated its internal vitality in deepening reform and innovation, and made every effort to promote the steady and long-term development of the construction of "high-quality China Railway".

Demonstrated new commitments in serving the national strategy. Over the past year, we have devoted ourselves to the development of western China, the revitalization of northeastern China, the rise of central China and the leading development of eastern China; deeply integrated into the major national strategies such as the Beijing-Tianjin-Hebei Joint Development, the development of the Yangtze River Economic Belt, the construction of Guangdong-Hong Kong-Macao Bay Area, the integrated development of the Yangtze River Delta, and the construction of Hainan Free Trade Port, helped to improve the economic development and people's livelihoods of the region; deepened external cooperation around the high-quality construction of the "Belt and Road", participated in home diplomatic events such as the Beijing Summit of the Forum on China-Africa Cooperation and the World Tunnel Conference, and completed high-quality key projects such as the railroad link of the Padma Bridge in Bangladesh; completed the delivery and commissioning of a number of "tools with great significance for the country", including the world's first large-diameter tunnel boring machine that can "climb steep slopes", the world's first hard-rock mud-water balanced top-shield machine, the 2,000-ton self-elevating offshore wind power installation platform, contributing China Railway's strength to the realization of the strategy of building a strong transportation country.

Achieved new breakthroughs in deepening comprehensive reforms. Over the past year, we have solidly pushed forward reforms in key areas, optimized the decision-making mechanism for major issues, promoted the diversification of the Board and the reform of the Supervisory Committee, continued to improve the modern enterprise system with Chinese characteristics, continuously improved the market-oriented operation mechanism, and further deepened the reforms of the three systems; vigorously developed new quality productivity, accelerated the deployment of strategic emerging industries, promoted the construction of strategic emerging industries systems, and accelerated the transformation and upgrading of traditional industries to digitalization, intelligence and greening mode. Six subsidiaries were awarded the benchmark or excellent results in the assessment of SASAC's "Science and Technology Reform" and "Double Hundred" actions; deepened the three-year action plan of improving the efficiency of large-scale business management and project management; basically formed the value concept of "all employees create efficiency, all elements create efficiency, and all processes create efficiency" throughout the Company; and fully established the risk prevention and control barrier of "China Railway under the Rule of Law, China Railway in Compliance" for the whole process.

Achieved new achievements in innovation-driven development. Over the past year, we have focused our elite forces to fight hard in key core technologies, made breakthroughs in key technologies such as bridge construction platforms and ultra-large diameter drilling holes in complex marine environments; orderly promoted the demonstration and application of Beidou space-time empowered digital construction integration; and carried out the first batch of five future industry topics such as undersea ultra-deep tunnels and deep-earth human settlements. Seven of our projects were selected as 50 landmark projects in the field of tunnels and underground engineering worldwide, and we have been ranked the first in terms of number of awards of the National Award for Science and Technology. We strengthened the construction of national laboratories, intensified top-level support for scientific and technological innovation, continuously optimized the innovation ecosystem, and solidly promoted management innovation and efficiency. 12 of our management innovation achievements were rated as national enterprise management modernization innovation achievements.

Demonstrated new results in fulfilling social responsibility. Over the past year, the Company focused on energy conservation and emission reduction, deeply participated in wetland restoration, abandoned mine restoration, garbage treatment, sewage treatment and other projects in various places. Ten of our projects were awarded the first prize in the Green Construction Technology Competition of the China Construction Association, and the Company was successfully approved as the “Source of Green and Low-Carbon Innovative Technology for Railway Transportation Infrastructure Facilities” by the SASAC. Our “Efficient Treatment Technology for Shield Structure Slag” was included in the National Green Technology Promotion Catalogue 2024 Edition. The Company actively contributed to the rural revitalization and carried out targeted assistance; acted in response to floods and dangers, and fought on the front line of rescue and emergency rescue operations, such as the dike breakout at Dongting Lake in Huarong County, Hunan Province, the bridge collapse at Zhashui Expressway in Shaanxi Province, and the earthquake in Dingri County, Tibet, played a key role in the critical moment, and has been widely praised by the leaders of the State Council, the SASAC, the Ministry of Emergency Response Management, and all sectors of society.

Despite the long road ahead of us, we have to sail against the waves and make persistent efforts. In 2025, the Company will anchor on the main line of “efficiency improvement and value creation”, play better roles of scientific and technological innovation, industry control, and safety support, and strive to take the lead and set an example in promoting high-level scientific and technological self-reliance, building a modern industrial system, and developing new quality productivity. The company will comprehensively accelerate the construction of “high-quality China Railway”, strive to complete the goals and tasks of the “14th Five-Year Plan”, lay a solid foundation for a good start to the “15th Five-Year Plan”, and better serve China’s modernization construction.

4.2 Business Overview

The Group is one of the largest multi-functional integrated construction groups in the world, which enables us to offer a full range of construction and industrial products and related services to our customers. The Group holds an industrial leading position in fields such as engineering construction, design consulting, and equipment manufacturing. The Group also diversifies its business and expands its value-added services by venturing into other businesses such as featured real estate, financial and merchandise trading, resource utilization, asset operation, and construction technology innovation and application. After years of practice and development, the Group’s businesses have established a close upstream – downstream relationship among themselves, and have gradually formed a vertically integrated construction industry chain with outstanding principal business supplemented by diversified relevant business horizontally.

4.2.1 Industry development overview

(1) Engineering construction

(i) Domestic

In 2024, China's national economic operation was generally stable and steady, and new progress was made in high-quality development. Thanks to the precision implementation of a package of incremental policies, and the effective implementation of policies such as the "two priorities" construction and large-scale equipment renewal, social expectations improved significantly, effective investment continued to release its efficiency, which strongly contributed to the economic recovery and upturn. According to the statistics of China Construction Industry Association, in 2024, the national construction enterprises (referring to general contracting and professional contracting construction enterprises with qualification level, excluding labor subcontracting construction enterprises) completed the total output value of the construction industry of RMB32,650.11 billion, representing a year-on-year increase of 3.85%; the value of completed construction work amounted to RMB13,523.88 billion, representing a year-on-year decrease of 1.65%; the value of newly signed contracts amounted to RMB33,750.05 billion, representing a year-on-year decrease of 5.29%; the construction area of housing construction was 13.683 billion square meters, representing a year-on-year decrease of 10.62%; the completed area of housing construction was 3.437 billion square meters, representing a year-on-year decrease of 12.63%; and the realized profit was RMB751.3 billion, representing a year-on-year decrease of 9.8% on a comparable basis. The cumulative investment in fixed assets of the national railways amounted to RMB850.6 billion, representing a year-on-year increase of 11.3%. The construction of modernized railway infrastructure system was promoted in high quality, and the railway investment played an effective role in driving the investment of the whole society. In addition, according to the report released by China Urban Railway Transportation Association, in 2024, the total length of newly added urban railway transportation lines in China was 953 kilometers, with 25 new operating lines. In 2025, China intends to issue RMB1.3 trillion of ultra-long-term special national bonds, representing an increase of RMB300 billion compared with the previous year, and RMB4.4 trillion of local government special bonds, representing an increase of RMB500 billion compared with the previous year, which will be mainly used for investment in construction, land storage and acquisition of existing commercial properties, and the digestion of local government arrears of corporate accounts. The above initiatives will bring substantial benefits to infrastructure enterprises.

(ii) International

In 2024, the global economy was characterized by divergence and recovery, and continued to grow moderately amidst multiple challenges. China's oversea investments and cooperations achieved steady development, and the scale of international business of overseas contracting enterprises has achieved certain growth. In 2024, the scale of China's overseas contracting projects increased steadily, with newly signed contracts amounting to US\$267.3 billion, representing a year-on-year increase of 1.1%, and turnover amounting to US\$165.97 billion, representing a year-on-year increase of 3.1%, which was a record high. Chinese enterprises actively served the "Belt and Road", with non-financial direct investment of US\$33.69 billion in the "Belt and Road" countries, representing a year-on-year increase of 5.4%; the newly signed contract value of overseas contracting projects amounted to US\$232.48 billion, and turnover amounted to US\$138.76 billion, accounting for 87% and 83.6% of the total, respectively. By continuously deepening pragmatic cooperation with countries participating in the construction, the Group has made positive contributions to the high-quality co-construction of the "Belt and Road". According to the estimation of the World Bank, a large number of people in the world are facing the problem of inadequate infrastructure such as housing, roads and electricity supply. There is a strong demand for high-quality, sustainable and resilient infrastructure in developing countries, and there is still a greater demand for upgrading and reconstruction of special areas in developed countries.

(2) *Design and consulting*

As a technology and intelligence intensive production service industry, design and consulting is located at the front end of engineering construction projects in the construction, transportation, electricity, water conservancy and other industries. It runs through the entire life cycle of engineering construction projects and provides full-process technical and management services for project decision-making and implementation. It plays an important supporting role in improving the investment and social benefits of engineering projects and is a key link in engineering construction. In recent years, with the development of science and technology and the extensive application of BIM (Building Information Modeling), cloud computing, big data, artificial intelligence and other technologies in the industry, the industry is transforming and developing towards intelligence, greening and integration. Looking forward to the "15th Five-Year Plan", with continued investment in infrastructure construction in China, areas such as new energy and new infrastructure will usher in a broader development space, the demand for clean energy infrastructure construction such as wind power generation and photovoltaic power generation will continue to increase, and the construction of new infrastructure such as artificial intelligence and data centers will become the cornerstone of the development of the digital economy, opening up a new business area for the design and consulting industry.

(3) *Equipment manufacturing*

In 2024, the scale of manufacturing industry in China continued to expand, its share steadily increased, and its structure continued to be optimized. The pace of transformation and upgrading of traditional industries accelerated, and strategic emerging industries such as new energy, new materials, and high-end equipment manufacturing continued to grow, and the security assurance capabilities of important industrial chains and supply chains continued to increase. Data from the National Bureau of Statistics showed that in 2024, the added value of equipment manufacturing industries above designated size nationwide increased by 7.7% year-on-year, 1.9 percentage points higher than that of all industries above designated size; the added value accounted for 34.6% of all industries above designated size, an increase of 1.0 percentage point from the previous year. According to the 2025 Government Work Report, new industrialization will be vigorously promoted and advanced, and manufacturing industries will be enlarged and strengthened; the development of service-oriented manufacturing will be accelerated, the major technology and equipment research and development will be strengthened; major technological transformation and upgrading and large-scale equipment renewal projects in the manufacturing industry will be implemented in depth, and the “increasing varieties, improving quality, and creating brands” in manufacturing industry will be further promoted; the “Artificial Intelligence +” action will continue to advance, better combining digital technology with manufacturing advantages and market advantages; and intelligent manufacturing equipment will be vigorously developed. The industrial structure is being optimized and upgraded in the direction of high technology and high added value, and the trend of industrial transformation and upgrading is obvious.

(4) *Property development*

In 2024, the domestic real estate market was affected by significant changes in supply and demand, and overall remained in a period of adjustment. In order to promote the stable and healthy development of the real estate market, a series of policies have been launched from the central government to the local government, focusing on the dual objectives of “stabilizing the market and destocking the inventory”, establishing a mechanism for the synergistic development of guaranteed housing and commercial housing; reshaping the pattern of commercial housing construction through measures of “strictly controlling the incremental quantity, optimizing the stock, and improving quality”; setting up guaranteed housing refinancing, and encouraging financial institutions to support local state-

owned enterprises in acquiring existing commercial properties at reasonable prices and transforming them into guaranteed housing; and implementing the “four abolitions, four reductions, and two increases” to comprehensively optimize the policy of restricting purchases, and to reduce the transaction taxes and fees and interest rates of the provident fund loans. As a result of these policies, the cumulative year-on-year decrease in the sales area and sales amount of newly constructed commercial properties in 2024 continued to shrink. According to the data released by the National Bureau of Statistics, in 2024, the property development investments nationwide amounted to RMB10,028.0 billion, representing a year-on-year decline of 10.6%, of which, the investments in residential housing amounted to RMB7,604.0 billion, representing a year-on-year decline of 10.5%. The sales area of newly-built commercial housing nationwide amounted to 973.85 million square meters, representing a year-on-year decrease of 12.9%, of which, the sales area of residential housing decreased by 14.1% year on year. The sales amount of newly-built commercial housing reached RMB9,675.0 billion, representing a year-on-year decline of 17.1%, of which, the sales amount of residential housing decreased by 17.6% year on year. The 2025 Government Work Report clearly states that the real estate market will continue to be pushed to stabilize. Restrictive measures will be adjusted based on the specific conditions of each city, and efforts will be stepped up to implement the renovation of urban villages and dilapidated buildings, so as to fully unleash the potential of demand for rigid and improved housing. As China’s new type of urbanization continues to progress, and the scope of guaranteed housing accelerates and the transformation of urban villages expands, it is expected that the data of the real estate market will improve marginally in 2025, and that real estate structural adjustment and transformation and upgrading will be realized under the continuous impetus of the policy.

(5) *Asset operation*

In recent years, infrastructure investment has played a key role in stabilizing economic growth and optimizing the supply structure. In 2024, the Decision of the Central Committee of the Communist Party of China on Further Deepening Reforms in a Comprehensive Manner and Promoting Chinese-style Modernization (《中共中央關於進一步全面深化改革推進中國式現代化的決定》) reviewed and adopted by the Third Plenary Session of the Twentieth Central Committee of the Communist Party of China pointed out that it would be necessary to establish a long-term mechanism for the government’s investment in support of major projects of a basic, public welfare and long-term nature; to improve the mechanism for the government’s investment to effectively drive social

investment; to deepen the reform of the investment approval system, improve the mechanism to stimulate the investment vitality of social capital and promote the implementation of investment; and to form a market-led effective investment endogenous growth mechanism. In the current stage of sustained recovery of the national economy, efforts will be made to accelerate the “two priorities” construction and actively promote the “three major projects” to fill the gaps in the areas of infrastructure, municipal engineering, rural agriculture, public safety, ecological protection, public health, material reserves, disaster prevention and mitigation, and livelihood protection, and to bring new industry opportunities for infrastructure investment.

(6) *Resource utilization*

In 2024, the global macroeconomic environment was severe and complex, the dollar credit restructuring and the Federal Reserve’s interest rate cut cycle, prompted commodities to enter a new cycle. In the commodity market, the performance of the non-ferrous metals sector was particularly outstanding. With the gradual recovery of the global economy and the vigorous development of emerging industries, the demand for non-ferrous metals market has shown a sustained growth trend, especially in emerging fields such as new energy and new materials. For example, the popularization of new energy vehicles, the research and development and application of new energy storage technologies, all rely on the support of non-ferrous metals as key raw materials. In terms of price, the maximum fluctuation of LME copper price during the year was close to US\$3,000, and the annual average price was US\$9,144/ton, representing a year-on-year increase of 7.8%; the overall average price of cobalt has dropped significantly compared with previous years and was in a low price range; the annual average price of molybdenum concentrate (45%-50%) is RMB3,595/ton, representing a year-on-year decrease of 7.1%. China is in a critical period of changing the mode of development, optimizing the economic structure and transforming the growth momentum, and all industries are vigorously cultivating and developing new quality productivity, non-ferrous metals are the production base of key materials and an important guarantee that the demand for non-ferrous metals is still relatively resilient.

(7) *Financial and merchandise trading*

In 2024, the financial industry achieved “progress amidst stability” amidst policy guidance and market adjustments, focusing on serving the real economy, taking into account risk prevention and control as well as structural optimization, and

providing key support for the high-quality development of the economy. Firstly, the monetary policy has turned moderately loose, the cost of social financing has dropped significantly, and structural optimization has accelerated. Secondly, the high-handedness of financial supervision has continued, the reform of financial institutions has begun steadily, and the industry's governance and risk-resistance have been significantly strengthened. Thirdly, the combination of financial and fiscal policies has been coordinated. Since the end of September 2024, a package of existing and incremental policies has been intensively deployed and implemented to promote the stabilization of the real estate market, and to support local government debt repayment through the "fiscal deficit + debt replacement", which has initially rebalanced the risk mitigation and the momentum of growth. In the trust industry, the overall supervision of the trust industry continued to tighten in 2024, with the Provisional Measures for Supervisory Rating and Tiering and Classification Supervision of Trust Companies (《信託公司監管評級與分級分類監管暫行辦法》) being formally implemented and the Trust Company Management Measures (Revised Draft for Comments) (《信託公司管理辦法<修訂徵求意見稿>》) being released, which will put forward higher requirements for risk prevention, business transformation and high-quality development of trust companies. In the finance company industry, the National Financial Regulatory Administration issued the Guiding Opinions on Promoting the Orderly and Healthy Development of Corporate Group Finance Companies and Improving the Quality and Efficiency of Supervision, which guided the finance company to return to origins and focus on main businesses, aiming to truly boost the quality of financial service by giving full play to the function of centralized fund management.

China is the world's largest country in terms of trade in goods. According to customs statistics, the total value of import and export of goods trade in 2024 amounted to RMB43.85 trillion, representing a year-on-year increase of 5%, reaching a historical high. The scale of the domestic materials trade market continued to expand, the circulation of various types of materials continued to increase, and the trade volume of materials such as coal, steel, and non-ferrous metals has increased to varying degrees. At present, the material trade industry is facing the trend of digital transformation, green supply chain construction and industry chain integration, and will continue to develop in the direction of diversification, complexity and high degree of interconnectivity, and the material trade industry presents both opportunities and challenges.

(8) *Emerging business*

China's "14th Five-Year Plan and 2035 Vision Outline" pointed out that we should coordinate the promotion of traditional and new infrastructure construction, to build a systematic, efficient and practical, intelligent and green, safe and reliable modern infrastructure system, accelerate the construction of new infrastructure, accelerate the construction of a strong transportation country, build a modern energy system, and strengthen water conservancy infrastructure construction. In 2024, the investment in water conservancy construction reached RMB1.35 trillion, representing a year-on-year increase of 12.8%. The investment focused on four major areas: river basin flood control projects, major national water network projects, water ecological environment governance, water conservancy infrastructure and digital mode. The scale of investment reached a historical high. A total of 47,000 water conservancy projects were implemented across the country, representing a year-on-year increase of 23.68%. In terms of clean energy, China has unswervingly anchored the goals of carbon peak and carbon neutrality, coordinated energy security supply and green and low-carbon development, and made every effort to increase the supply of clean electricity, and achieved new results in the development of renewable energy sources. In 2024, the new installed capacity of renewable energy power generation in China was 373 million kilowatts, representing a year-on-year increase of 23%, accounting for 86% of the newly installed power capacity in China.

In the future, led by the new development concept, the construction of a new type of low-carbon, high-efficiency, digitally-intelligent, systematic, complete, safe and reliable infrastructure will further empower the high-quality development of China's economy and society. The central enterprises will accelerate the development of strategic emerging industries with greater efforts, promote more state-owned capital to be invested in the real economy and strategic emerging industries with foundations, empower the development of strategic emerging industries and new-quality productive forces with scientific and technological innovation, and further enhance the strategic role of the state-owned economy in building a new development pattern.

4.2.2 Business development overview

During the reporting period, the Group achieved new contract amount of RMB2,715.18 billion, representing a year-on-year decrease of 12.4%; revenue of RMB1,160.311 billion, representing a year-on-year decrease of 8.2%; net profit of RMB30,758 million, representing a year-on-year decrease of 18.3%; net profit attributable to shareholders of the listed company of RMB27,887 million, representing a year-on-year decrease of 16.7%; earnings before interest, tax, depreciation and amortization (EBITDA) of RMB72,290 million, representing a year-on-year decrease of 5.5%. The Group has been listed in the Fortune Global 500 for 19 consecutive years, ranking 35th on the Fortune Global 500 and 9th on the Fortune China 500; and rated A (excellent) in the Shanghai Stock Exchange's listed company assessment for 16 consecutive years, including 11 consecutive years of Class A evaluation results for information disclosure by the Shanghai Stock Exchange.

– **Dedicated ourselves to serving major national strategies and demonstrated the mission and responsibility of being a “national great power”.** As one of the world's largest construction contractors, China Railway has always made it its top priority to serve the overall national economic development and actively participate in the development of social undertakings. **Dedicated to serving major national strategies.** Focusing on promoting regional development and deepening cooperation between enterprises and local governments, the Company has based itself on the main responsibilities and businesses, took advantage of its strengths, and deeply integrated into major national strategies such as the coordinated development of the Beijing-Tianjin-Hebei region, the development of the Yangtze River Economic Belt, the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, the integrated development of the Yangtze River Delta, and the construction of the Hainan Free Trade Port; promoted the construction of a large number of major projects such as the Shenzhen-Zhongshan Link, the Huangmaohai Cross-sea Link, and the Shanghai-Suzhou-Huzhou High-speed Railway with high quality, which has helped regional economic development and improved people's livelihood. We also launched the “Focus on the 2024 World Tunnel Congress, Create a Beautiful Business Card for China's Tunnels (聚焦2024世界隧道大會，打造中國隧道靚麗名片)” and activities related to the completion and opening of China's Antarctic Qinling Station, demonstrating the global influence of “China Construction”. **Practiced social responsibility and demonstrated responsibility.** The Company has actively contributed to the rural revitalization, carried out targeted assistance, and continuously contributed China Railway's strength to accelerating the modernization of agriculture and rural areas. The Company acted in response to floods and dangers, and fought on the front line of rescue and emergency rescue operations, such as the dike breakout at Dongting Lake in Huarong County, Hunan Province, the bridge collapse at Zhashui Expressway in Shaanxi Province, and the earthquake in Dingri County, Tibet, played a key role in the critical moment, and has been widely praised by the leaders of the State Council, the SASAC, the Ministry of Emergency Response Management, and all sectors of society.

– **Continuously stimulated business vitality and achieved practical results in high-quality development.** The Group has been promoting the concept of “all employees create efficiency, all elements create efficiency, and all processes create efficiency”, and has been actively pushing forward the pilot program of “four integration” of finance, business, law and procurement, which has resulted in significant results in the management of major businesses and a steady improvement in the quality and efficiency of its operations. **Consolidated advantages in traditional markets.** During the reporting period, the Group completed new contracts amounting to RMB1.87 trillion in the fields of railroads, highways, urban railways, municipal services and housing construction, maintained its industry-leading market share in the fields of railways and urban railways, and successfully completed key projects such as the Yancheng-Yixing High-speed Railway, the Nantong-Suzhou-Jiaxing-Ningbo High-speed Railway, and the franchise of Huangshan Tourist T1 Line. The Group made significant progress in a large number of key projects, including the Sichuan-Qinghai Railway, Xi’an-Chengdu Railway, Changtai Yangtze River Bridge, and Shenzhen-Zhongshan Link; and achieved great success in the fields of “two priorities” construction, “four integration”, and “three major projects”. **The “second curve” has been expanded.** During the reporting period, the Group’s newly signed contracts in the “second curve” business amounted to RMB425.7 billion, representing a year-on-year increase of 11%. The Group accelerated its entry into the markets of water conservancy and hydropower, clean energy and ecological protection; mastered and penetrated into the sub-sectors; diversified and generated new momentum. The brands of China Railway’s cultural protection, China Railway’s expressway and China Railway’s water service empowered and enhanced the Company’s development and injected new development potential.

– **Accelerated the cultivation of new-quality productivity and achieved breakthroughs in innovation.** 2024 marked the 10th anniversary of the “Three Transformations” important instruction, and the Group steadfastly followed the direction guided by the General Secretary to move forward and realize the “Three Transformations” in depth. **Strengthened the top-level design of strategic emerging industries.** The Group accelerated the construction of a 2+4 strategic emerging industry system that “lead the development of intelligent creation and smart operation and maintenance, and strengthen the four major industries of high-end equipment, energy conservation and environmental protection, new materials, and new energy”, and strived to play a role in scientific and technological innovation, industrial control, and security support in building a modern industrial system and a new development pattern. Accelerate innovation, efficiency, transformation and upgrading. **Accelerated innovation, efficiency, transformation and upgrading.** During the reporting period, the Group strengthened the position of enterprises as the mainstay of innovation, led technological breakthroughs by application scenarios, promoted intelligent construction on all fronts to lead the development of the industry, and 35 projects of the “14th Five-Year Plan” National Key Research and Development Programs progressed smoothly, the green and low-carbon original technology source for rail transit infrastructure was successfully approved, and the Beidou space-time empowered digital construction

integration demonstration application tasks were orderly promoted, the intelligent construction of shield tunnels successfully entered the 2.0 era, the production and sales volume of TBM/shield tunnels ranked first in the world for eight consecutive years, and the number of National Science and Technology Awards ranked first among central construction enterprises.

– Deepened overseas development to improve quality and growth, deepened and implemented the joint construction of the “Belt and Road”. The Group has been deeply integrated into the high-quality “Belt and Road”, improved the mechanism of high-end connection, optimized the market regions of certain countries, and continuously enhanced the global influence of its corporate brand. **Overseas operation capability has been significantly strengthened.** In recent years, the Group’s international business management system has been continuously improved, the overseas “One Body, Two Wings and N Drivers (一體兩翼N驅)” pattern has been effectively operated, the “two-priority strategy” of prioritizing the launch out and the high-quality development of overseas projects has achieved remarkable results, and the ability of the Group to deepen its cultivation and expansion in certain countries has been effectively enhanced. In 2024, the Group’s newly signed contracts for overseas business amounted to RMB220.9 billion, accounting for 8% of the Group’s newly signed contract value, representing a year-on-year growth of 10.6%. **Created a beautiful Chinese business card.** Adhering to the concept of “constructing high-quality projects and contributing to social development”, the Group’s overseas business is boldly fulfilling its mission of “going out” and building “Belt and Road” with high quality, and has built a large number of iconic projects with international influence. A large number of landmark projects with international influence have been constructed, which have been widely praised by owners and all sectors of society in the project location. During the reporting period, major projects such as the Hungary-Serbia railway, the Chancay Tunnel in Peru, the Padma Bridge railway link in Bangladesh, the KK road tunnel in Georgia, and the water diversion tunnel in Nepal progressed steadily, demonstrating the strength of China Railway on the international stage.

During the reporting period, the operation of primary business of the Group are described as follows:

(1) *New contracts and contract backlog*

In 2024, the amount of newly signed contracts of the Group was RMB2,715.18 billion, representing a year-on-year decrease of 12.4%. The amount of newly signed contracts in the domestic business amounted to RMB2,494.28 billion, representing a year-on-year decrease of 14.0%; the amount of newly signed contracts for the overseas business amounted to RMB220.90 billion, representing a year-on-year increase of 10.6%. As of the end of the reporting period, the amount of the Group's contract backlog was RMB6,886.05 billion, representing an increase of 17.2% from the end of 2023. The amount of newly signed contracts by business segment is set out as below:

Amount of New Contracts

Unit: '00 million Currency: RMB

Business type	2024	2023	Year-on-year increase/decrease
Engineering construction	18,710.1	22,509.7	-16.9%
Design and consulting	258.2	277.7	-7.0%
Equipment manufacturing	571.0	688.2	-17.0%
Featured property	434.3	696.1	-37.6%
Asset operation	1,762.3	1,772.9	-0.6%
Resource utilization	272.0	334.4	-18.7%
Financial and merchandise trading	886.5	900.3	-1.5%
Emerging business	4,257.4	3,826.7	11.3%
Total	<u>27,151.8</u>	<u>31,006.0</u>	<u>-12.4%</u>
Domestic	24,942.8	29,008.1	-14.0%
Overseas	<u>2,209.0</u>	<u>1,997.9</u>	<u>10.6%</u>

(2) *Developments of the principal business segments*

(i) Engineering construction

Engineering construction is the core of the Group, the foundation for consolidating the leading position of the Group in the construction industry and enhancing brand strength, an important pillar for improving the market influence, and a key field for improving the economic benefits and promoting the high-quality development of the Group. The engineering construction business of the Group involves railway, highway, municipal works, housing construction, urban rail transit, and other engineering fields, covering more than 100 countries and regions in the world. The Group has special-grade qualifications for general contracting of construction of railways, highways, municipal public engineering and building engineering. The basic operation mode is to obtain orders through market competition at home and abroad, complete the tasks of survey, design, procurement, construction and operation of projects in accordance with the contracts by means of general engineering contracts and general construction contracts, etc., and is responsible for the quality, safety and construction period of the contracted project.

The Group has always been a leader in China's infrastructure construction industry and one of the largest construction contractors in the world. As of the end of the reporting period, the Group had 4,052 qualifications and permits of various kinds, including 84 special-grade qualifications for construction general contracting, 416 grade A qualifications for construction general contracting, 4 general design qualifications, 7 general survey qualifications, 2 general supervision qualifications, 2 installation permits for long-distance pipeline GA1 and 1 GA1 design permit. 84 special-grade qualifications for construction general contracting include 18 general contracting qualifications for railway construction at special grade, accounting for over 50% of the total number of general contracting qualifications for railway construction at special grade in China; 34 general contracting qualifications for highway construction at special grade; 21 general contracting qualifications for engineering construction at special grade; 9 general contracting qualifications for municipal public engineering at special grade; 1 general contracting qualification for port and waterway construction at special grade; and 1 general contracting qualification for water conservancy and hydropower construction at special grade, which was obtained during the year and filled the Group's gap of high-level scarce qualification in the hydropower market. The Group has 3 national laboratories (the National Engineering Laboratory of High Speed Railway Construction Technology, National Key Laboratory of Tunnel Boring Machine and Intelligent Operation and Maintenance, and National Key

Laboratory of Bridge Intelligence and Green Construction) (engineering research center), 10 postdoctoral workstations, 1 national local joint research center (national and local joint engineering research center for the research and application of digital rail transit technologies), 52 provincial and ministerial research and development centers (laboratories), representing the most advanced technological level in terms of railway, bridges, tunnels and rail transit construction in China. The Group is one of the major infrastructure construction forces in the construction of the Belt and Road Initiative. It is the main contractor of the representative projects along the “Belt and Road” including China-Laos Railway, the Indonesian Jakarta-Bandung High-speed Railway, the Budapest-Belgrade Railway and the Padma Bridge in Bangladesh.

During the reporting period, the value of new contracts for the engineering construction business of the Group was RMB1,871.01 billion, representing a year-on-year decrease of 16.9%. From a business segment perspective: the value of new contracts for railway construction business amounted to RMB319.42 billion, representing a year-on-year increase of 0.3%; the value of new contracts for highways construction business amounted to RMB167.36 billion, representing a year-on-year decrease of 24.3%; the value of new contracts for municipal works business amounted to RMB193.63 billion, representing a year-on-year decrease of 25.9%; the value of new contracts for urban rail business amounted to RMB72.70 billion, representing a year-on-year decrease of 55.8%; the value of new contracts for housing construction business amounted to RMB921.16 billion, representing a year-on-year decrease of 19.7%; and the value of new contracts for other businesses amounted to RMB196.74 billion, representing a year-on-year increase of 42.8%.

(ii) Design and consulting

Design and consulting is the core business segment of the Group, an important engine for leading the upgrading of technology and industry of the Group and driving the development of other businesses, an important basis for enhancing the brand influence of the Group, and an key support for promoting industrial coordination and improving the innovation ability of the whole industrial chain. Our design and consulting business covers the whole process of basic construction services such as research, planning, consulting, cost, survey and design, supervision, general engineering contracting, and product industrialization, mainly involving industries such as railways, urban rail transit, highways, municipal works, housing construction, water transportation, water conservancy, hydroelectricity survey and design, survey and design. The Group constantly expands into new industries and new fields such as mountain geared rail, suspended

air rail, low and medium-speed and high-speed magnetic levitation, new infrastructures, intelligent transportation, civil airports, ports and wharfs, power, energy conservation and environmental protection. The basic operation mode is to obtain design and consultancy orders through market competition at home and abroad, and complete the tasks such as design consultancy and relevant services of engineering projects as agreed in the contract. Meanwhile, the Group has been exploring innovative business models for its design consultancy business, fully utilizing its strengths in the planning of urban infrastructures and transportation facilities, playing the roles of market pulling and spatial expansion, comprehensively enhancing the capability of providing integrated services along the industry chain, and facilitating the synergistic development of the entire industry chain.

As a backbone enterprise in China's design and consulting industry, the Group has played an important guiding and leading role in the field of engineering construction, especially in assisting in the formulation of construction codes and quality acceptance standards of the railway industry. The Group has been deeply involved in the planning, design and construction of highland railroads, large-span bridges and complex tunnels. With advanced design concepts and exquisite technologies, the Group has successfully built a number of bridges with world-wide influence, broken through a series of "high, large, difficult and new" tunneling technologies, and overcame a number of world-wide problems, built a intertwined transportation networks and greatly promoted interconnectivity between regions. The Group has won a total of 246 Luban Awards, 546 National Excellent Engineering Awards (including 43 gold awards), 200 China Civil Engineering Zhan Tianyou Awards, 154 National Excellent Engineering Survey And Design Awards, 110 National Excellent Engineering Consulting Awards, and 35 International Engineering Consulting (FIDIC) and Engineering Design Awards. The Group ranked 28th and 139th among the ENR 150 largest design companies and 225 largest international design companies in the world in 2024 respectively. During the reporting period, the Group's design and consulting business recorded a newly signed contract value of RMB25.82 billion, representing a year-on-year decrease of 7.0%.

(iii) Equipment manufacturing

Equipment manufacturing is the core segment of the Group, an important carrier for practicing the “three transformations” and promoting the high-end brand of the Group, an important force for boosting the transformation and upgrading of the Group, and an important support for reinforcing and upgrading weak links in the industrial chains as well as improving the core competitiveness. The Group’s equipment manufacturing business mainly serves the infrastructure construction at home and abroad, and its products cover turnouts, tunnel construction equipment, bridge construction steel structure, engineering construction machinery, fabricated building components and rail transit electrification equipment, etc. The basic operation mode is mainly to obtain orders through market competition at home and abroad, and provide relevant products and services with guaranteed quality and quantity on schedule according to the contract. The Group has a leading position in the field of high-end equipment manufacturing related to transportation infrastructure such as railways, highways, urban rail transit and underground engineering in the country and even the world. It has outstanding advantages in scientific and technological innovation, core technology, production and manufacturing, brand awareness and other aspects. The Group is the world’s leading shield/TBM research and development manufacturer, the world’s leading steel structure manufacturer of turnouts and bridges, the leading railway construction equipment manufacturer in China, and the world’s leading manufacturer of infrastructure construction service equipment. As a leading manufacturer of high-end equipment for engineering construction, the Group develops and manufactures tunnel boring machines, special equipment for tunnel mechanization, engineering construction machinery, turnouts, steel bridges, etc. with abundant and stable market demand. CRHIC (stock code: 600528.SH), a majority-owned subsidiary of the Company, has the most complete spectrum of products in the field of railway infrastructure equipment in China and is the only industrial enterprise in A share main board market that mainly engages in high-end equipment for rail transit and underground excavation, and its shield machine/TBM products are exported to more than 30 countries and regions including developed countries such as Singapore and Italy, and are well received by the local society and construction market. CRHEEC (stock code: 688285.SH) is an important supplier engaging in the research and development, production and system integration of domestic electrified catenary components and power supply equipment for urban rail transit. CRPCC (stock code: 300374.SZ) is a supplier with rich product structures and integration service capability of prefabricated buildings in the domestic prefabricated building component industry, able to provide a complete set of solutions for prefabricated buildings.

As a leading manufacturer of high-end equipment for engineering construction, the Group continuously enhances its innovation-driven development capability and makes new breakthroughs in the new-type rail transit industry and new-type technology-based environmental protection industry. The Group holds the second-largest global market share in overseas markets of tunnel boring machines, while its medium and large-diameter shield machines have gained high recognition from customers in the European high-end market. During the reporting period, the amount of newly signed contracts for the equipment manufacturing business of the Group was RMB57.10 billion, of which RMB55.33 billion were newly signed domestical contracts and RMB1.77 billion were newly signed overseas contracts, representing a year-on-year decrease of 17%.

(iv) Featured property

Featured property is a key development segment of China Railway, an important carrier for the diversification of China Railway's brand, and an important platform for entering the urban construction market, for transforming into an urban comprehensive development and operation operator, and for transforming into "real estate + infrastructure" and "real estate + industry" based on the advantages of its main business. It is an important support for optimizing business layout and expanding market areas; and an important platform for optimizing the business layout and expanding the market area. The Group's property development business is capable of integrating and linking the entire real estate industry chain, including investment and financing, design and research and development, construction, commercial operation and property services, and has rich experience in development and operation, and is capable of providing a comprehensive package of solutions and services for integrated urban development and operation. The Group's property business covers a wide range of areas including primary land consolidation, secondary development, urban village renovation, guaranteed housing, urban renewal, properties above subway stations, shantytown renovation and old building renovation, cultural tourism and health care properties, industrial properties, rural revitalization and construction. Since the "14th Five-Year Plan", the Group has proactively adapted to the significant changes in the supply and demand relationship in the real estate market and the guidance of the national policy, fully, accurately and comprehensively adhered to the new development concept, insisted on being market demand-oriented, focused on the advancement of the national development strategy and the development of the national economy and society, and continued to adjust the structure, change the mode, promote the special features, refine the management, prevent the risks, and strengthen its brand; actively created featured properties, focused on changing from traditional commercial real

estate development to a comprehensive development mode integrating multi-industry, multi-product and multi-functionality, and focused on becoming a first-class comprehensive urban development operator in China, and strived to build a real estate brand with China Railway's characteristics and core competitiveness in the real estate development business.

In 2024, the Group's real estate business focused on cash flow security, adhered to the principle of determining production based on sales and expenditure based on revenue, and scientifically controlled the pace of investment and development, thus maintaining a stable and healthy development of the real estate development business. During the reporting period, the Group's real estate business achieved sales of RMB43.43 billion, representing a year-on-year decrease of 37.6%; achieved sales area of 2.45 million square meters, commenced construction area of 1.24 million square meters, completed construction area of 6.35 million square meters, and new land reserves of 410,000 square meters. As at the end of the reporting period, the Group's land reserve for development amounted to 12.17 million square meters.

(v) Asset operation

Asset operation is a key development segment of China Railway, an important carrier for China Railway to optimize its industrial layout and strengthen its brand across the entire industrial chain, and a key link in strengthening the management of operating assets, ensuring investment returns and enhancing capital circulation capabilities. The Group's asset operation business is to acquire projects and obtain concession rights based on the integrated advantages of "investment, construction and operation", and to provide first-class asset operation services in the PRC during the concession period. The scope of services mainly includes providing operation, maintenance and asset management for infrastructure investment projects, covering three modes of independent operation, joint operation and entrusted operation. The Group has established the "China Railway Expressway" and "China Railway Water" brands in the areas of highways and water supply and environmental protection, and has established a scientific and sound operation and management system in the areas of underground pipeline corridors and rail transportation. At present, the Group has invested in a large number of infrastructure projects, covering 10 types of projects such as rail transit, expressways, underground pipe corridors, water and environmental protection, municipal roads, sponge cities and industrial parks across most cities and regions in China, with the operation period ranging from 10 to 40 years. As of the end of the reporting period, the Group has led the implementation and operation of approximately 280 kilometers of urban rail transit, mainly including

Xi'an Metro Line 9, Chengdu Metro Line 9 and Chongqing Metro Line 4; led the implementation and operation of approximately 2,500 kilometers of expressways, mainly are 22 expressways including Yibin-Yiliang Expressway, Shantou-Jiexie Expressway, and Xin'an-Yichuan Expressway; led the implementation and operation of approximately 200 kilometers of urban comprehensive pipe corridors, mainly Haikou underground comprehensive pipe corridor, Tangshan underground comprehensive pipe corridor and Pingtan Comprehensive Experimental Zone underground comprehensive pipe corridor; led the implementation and operation of water projects with a daily water treatment of 1.45 million tons, mainly including Ma'anshan Second Sewage Treatment Plant Expansion and Upgrading Project, Lanzhou Salt Field Sewage Treatment Plant and Expansion Franchise Project. During the reporting period, the newly signed contracts of the Group's asset operation business was RMB176.23 billion, which was basically the same as that of the previous year.

(vi) Resource utilization

The Group's resource utilization business is mainly based on the management and development of mining entities. Currently, it wholly owns, controls or holds shares to invest in the construction of five modern mines at home and abroad, including Luming Molybdenum Mine, Heilongjiang, Luishia Copper-Cobalt Mine, Comagnie Minière de Luisha S.A.S, Congo, MKM Copper-Cobalt Mine, SICOMINES Copper-Cobalt Mine, and Wulan Lead and Zinc Mine, Mongolia, all of which are in good conditions. The main mineral products produced and sold by the Group include concentrate of varieties involving copper, cobalt, molybdenum, lead, zinc and others, copper cathode and cobalt hydroxide. Currently, the retained reserves of copper, cobalt and molybdenum of the Group are in the leading position in the same industry in China, and the mines' production capacity for copper and molybdenum has been at the forefront in the same industry in China. In recent years, the Group has been using the management and development of mining entities as the foundation to continuously expand its mining services business, including ore stripping and the sale of mining equipment, and further acquired projects of construction sand and gravel aggregates.

In 2024, the development, sales and marketing of the Group's mineral resources maintained a steady development trend. Of which, 288,252 tons of copper metal, 5,629 tons of cobalt metal, 14,945 tons of molybdenum metal, 9,415 tons of lead metal, 25,048 tons of zinc metal and 36 tons of silver metal were produced.

Mineral Resource Projects (as at 31 December 2024)

No.	Project name	Type	Mining resource			Equity ratio	Planned total investment	Accumulated investment	Production quantity in the reporting period	Project progress
			Grade	Unit	Resources/reserves (retained) Amount					
							(RMB'00 million)	(RMB'00 million)	(tons)	
1	Luming Molybdenum Mine, Yichun City of Heilongjiang	Molybdenum	0.09%	tons	595,765.90	83%	60.17	60.26	14,945	In normal production
		Copper	/	tons	/				1,528	
2	SICOMINES Copper-Cobalt Mine	Copper	3.15%	tons	6,459,420.85	41.72%	45.86	30.92	245,865	In normal production
		Cobalt	0.25%	tons	520,226.34				5,498	
3	Luishia Copper-Cobalt Mine	Copper	2.18%	tons	475,433.72	67%	21.38	21.60	22,839	In normal production
		Cobalt	0.08%	tons	18,296.47				131	
4	MKM Copper-Cobalt Mine	Copper	2.08%	tons	31,048.66	75.2%	11.95	12.35	18,020	In normal production
		Cobalt	0.21%	tons	3,158.95				0	
5	Wulan Lead and Zinc Mine, Xinxin Company	Lead	1.15%	tons	152,950.26	100%	15.4	15.4	9,415	In normal production
		Zinc	2.89%	tons	385,146.82				25,048	
		Silver	56.49g/t	tons	752.77				36	
6	Muhaer Lead and Zinc Mine, Xinxin Company	Lead	0.63%	tons	41,141.22	100%	-	-	-	Not yet exploited
		Zinc	2.37%	tons	154,709.38					
		Silver	118.17g/t	tons	770.15					
7	Wurile Ovoo and Zhanggai Tolgoi Gold Mine, Xinxin Company	Gold	3g/t	tons	3	100%	-	-	-	Not yet exploited
8	Silver-Lead-Zinc polymetallic Mine, Chafu, Xianglong Mineral Co., Ltd.	Lead	7.00%	tons	89,697.1	100%	3.3	3.3	-	Ceased production
		Zinc	5.09%	tons	65,192.61					
		Silver	200.39g/t	tons	256.84					

Note: In accordance with the mining law of Democratic Republic of the Congo, the holder is obliged to transfer 5% of its shareholding to the Democratic Republic of the Congo upon each renewal of the mining right. In 2024, Luishia and MKM completed the statutory procedures for the renewal of the expiring mining rights and the shareholding was reduced by 5%, respectively.

(vii) Financial and merchandise trading

When carrying out financial business, the Group has strictly implemented the State regulatory policies and adhered to the overall guidelines of integration of industry and finance. Centering on the target of serving internal financial needs, promoting the development of principal construction business and creating value and adhering to the principle of giving priority to benefits in the allocation of financial resources, the Group's financial business segment has effectively guided the flow of financial resources to efficient assets, while firmly holding the bottom line of avoiding financial risks. The Group holds the financial licenses for trust, finance company, and public fund, and is approved to engage in such financial business as assets management, private equity fund, insurance brokerage, finance lease, and commercial factoring, which the SASAC allows to be conducted in a prudent and regulated manner. The Group has built a multi-level, wide-span and differentiated institutional service system of "finance and quasi-finance" represented by China Railway Trust, China Railway Finance, and China Railway Capital, and actively explored new ways to integrate industry and finance to serve internal financial needs.

The merchandise trading business of the Group represents the trading business carried out by the trading enterprises at all levels of the Group relying on the demand advantage, product advantage and resource channel advantage from centralized purchase and supply based on the main business of the Group. It mainly serves the internal trading demand of the Company and provides external services in an appropriate manner. China Railway Resources, the Company's wholly-owned subsidiary, is responsible for the sales of mineral products in the resource utilization sector. China Railway Material Trade, a wholly-owned subsidiary of the Group, has established a national-wide operation and service network, and maintained good cooperative relationships with domestic large-scale production enterprises of steel, cement, petrochemical, components for communications engineering, signal engineering, electrical engineering and electrification engineering, building decoration materials and other products, and carried out centralized procurement and supply of major materials at the Group level, and supplies materials to other domestic construction enterprises, significantly improving the Group's resources acquisition ability, supply security, procurement and bargaining power. During the reporting period, the amount of newly signed contracts for the financial and merchandise trading business of the Group was RMB88.65 billion, representing a year-on-year decrease of 1.5%.

(viii) Emerging business

The Group's emerging business, encompassing both "second curve" emerging business and strategic emerging industries (including future industries), is the China Railway's key cultivation segment. Emerging business is crucial for aligning with national strategies, building a modern industrial system, accelerating the formation of new productive forces, and ensuring the Group's sustainable development. They also play a vital role in establishing a competitive advantage for the future. In terms of the "Second Curve", the Group has been closely centering on national strategies such as the "3060" dual carbon goals and "two priorities", focused on key regions and emerging fields, adjusted the industrial structure with market orientation, guided the business model with scientific and technological innovation, concentrated its efforts in the fields of water conservancy and hydropower, clean energy, ecological and environmental protection. In terms of strategic emerging industries, the Group is focusing on four major areas: artificial intelligence, industrial software, high-end machine tools, and future space. It is also increasing its development efforts in high-end equipment manufacturing and energy conservation and environmental protection (green building), strengthening its industrial layout in new materials and service industries in relation to strategic emerging industries, and leveraging its advantages in main business to specialize in and expand construction engineering and related engineering services for strategic emerging industries such as new energy. During the reporting period, the Group won bids for a number of major projects, including a number of high-standard farmland projects, the Huatanzi Reservoir Project in Tongren City, Guizhou Province, the Comprehensive Management of the Western Desert of Inner Mongolia in the Alxa League (Phase II), of which, the Comprehensive Management of the Western Desert of Inner Mongolia in the Alxa League (Phase II) is the largest single project of the "Three Norths" project and ecological management project in recent years. In 2024, the operating results of the emerging business achieved a quantitative and qualitative increase, with newly signed contracts amounted to RMB425.74 billion, representing a year-on-year increase of 11.3%. Among them, new contracts in the water conservancy and hydropower business amounted to RMB104.24 billion, representing a year-on-year growth of 50%; new contracts in the clean energy business amounted to RMB120.03 billion, representing a year-on-year growth of 22.6%; and new contracts in the ecological protection business amounted to RMB61.67 billion, representing a year-on-year decrease of 36.6%.

4.2.3 Scientific research investment and technological achievements

In 2024, the Group has achieved remarkable results in its advantageous fields and featured businesses, such as high-end equipment manufacturing, special complex long-span bridge construction, underground engineering and deep space development, extreme environment engineering construction, ecological protection technology, and overseas featured businesses; 51 achievements including (among others) “key technology for bridge engineering of full-scale test line of ultra-high-speed maglev, key technology for development and engineering of shield-type TBM for deep ultra-large-section tunnel in high-stress area, key technology for high-speed railway subgrade construction in the abrupt terrain change zone of Yunnan-Guizhou Plateau, key technology of green building for railroad passenger stations of mega integrated hubs based on station-city integration, key technology of urban rail transportation turnout performance and service life enhancement, research and engineering application of key technology for the intelligent construction of traction power supply systems, research on construction and multi-functional evaluation technology of wetland combined ecosystem around Chaohu Lake, key technology and application of multi-source data fusion railway digital survey and design optimization platform, key technology and application of lightweight railway standard beams” have reached the international leading level; 112 achievements including (among others) “key technology research on railway hydrological analysis in small and medium-sized river basins” have reached the international advanced level; and 202 achievements including (among others) “intelligent robot for plane reinforcing mesh lacing” have reached the domestic leading or advanced level. Relying on the “Chongming-Taicang Yangtze River Tunnel”, the key throat project of the Shanghai-Nanjing section of Shanghai-Chongqing-Chengdu High-speed Railway, the Group has built nine intelligent construction systems, including “intelligent perception, intelligent design, intelligent prefabrication, intelligent excavation, intelligent installation, intelligent construction, intelligent environmental control, intelligent transportation and intelligent control”, which promoted the intelligent construction of shield tunnels into the V2.0 era. The Group has developed the world’s first large-diameter tunneler “Yongning” which can climb steep slopes, and successfully applied it to the construction of two “throat” diversion slope shafts of the Luoning Pumped Storage Power Station Diversion Slope Shaft Project, thus filling the technical gap in the field of large inclined angle inclined shaft construction in China.

During the reporting period, the Group obtained 240 provincial and ministerial-level scientific and technological progress achievement awards, 9,745 patents, including 3,385 invention patents and 296 overseas patents such as PCT patents, and 1,416 provincial and ministerial-level workmanships. The Group’s five achievements including (among others) the “Hong Kong-Zhuhai-Macao Bridge Cross-sea Cluster Project” were awarded the National Science and Technology Award, including one first prize and three second prizes for scientific and technological progress, and one second prize for technological invention.

In the future, the Group will continue to invest in research and development in support of strategic emerging industries and future industries, lay out the innovation chain around the industrial chain, improve the scientific and technological innovation system, accelerate the gathering of innovative elements, promote the transformation of scientific research results, strictly control the compliance risk, strictly enforce the relevant regulations on R&D expenditures, strive to break through a batch of key technologies and form a batch of iconic products, and endeavor to overcome a batch of key core technical “bottleneck” problems; the Group will also help build a number of landmark key and difficult projects at home and abroad, provide strong support for the contracting and construction of corporate engineering projects, lead the construction level of high-speed railways and bridges and tunnels in China and even the world, and constantly polish the beautiful business cards of China’s roads, bridges, tunnels, electrification and high-speed railways, demonstrating the responsibility and commitment of a leader in infrastructure construction.

4.2.4 Establishment and implementation of safety and quality system

As a construction company, China Railway places the utmost importance on ensuring production safety and reducing work-related accidents. Strict compliance with laws and regulations during production and operations is crucial for the Group’s sustainable development. The Group strictly adheres to relevant laws and regulations such as the Work Safety Law of the People’s Republic of China, Occupational Disease Prevention and Control Law of the People’s Republic of China, Fire Protection Law of the People’s Republic of China, and Work-related Injury Insurance Regulations, as well as other laws and regulations in the locations where the Group operates that have a significant impact on the health and safety of our employees. The Group has formulated systems such as the Regulations on Occupational Safety and Health Supervision and Management and the Guiding Opinions on Employee Living Security Work, continuously strengthened management, strived to provide employees with a healthy and safe work environment, and reduced work-related accidents, so as to protect the legitimate rights and interests of workers.

In terms of the establishment of the system, the Group has set up the Production Safety (Quality) Committee, which is responsible for all aspects of the production safety of the Group. The Committee has 2 directors, who are the secretary of the Party committee, chairman and president of the Group respectively, 1 deputy director, who is the vice president in charge of safety and quality, and members including other leadership team and senior management, and heads of relevant departments of the headquarters of the Company. Tier 2 and tier 3 companies have production safety supervision and management departments, and construction and investment enterprises have full-time safety directors.

In terms of the improvement of the system, in 2024, the Company's work on production safety insisted on organically combining the improvement of the management system with the three-year action plan. The Company focused on strengthening production safety responsibilities, and took major production safety inspections and the construction of important work mechanisms as a means to continuously focus on the management of major accident hazards. The Company studied and implemented innovative measures such as the "Whistleblowing Mechanism for Work Safety", "Internal Reporting Reward Mechanism for Accident Potentials" and "Guidelines for Emergency Rescue Work in Tunnel Construction", and continued to build and improve the Group's work safety supervision system.

In terms of monitoring the implementation of the system, in 2024, the Group organized and launched a safety production inspection and a series of special inspections of highway projects under construction and operation, organized and launched a special self-inspection and remediation of hidden quality problems, and completed the safety and quality system supervision of the relevant units under the Group. Each of the Group's construction member enterprises has set up a control and inspection team and established a system of regular reports on the supervision situation, so as to promptly eliminate the hidden dangers of on-site safety, quality and environmental protection. The number of major potential safety hazards has been significantly reduced, the control over on-site construction and production of projects at all levels has become more stringent, the atmosphere of safety management has become more dense and the ability of safety supervision has been continuously upgraded.

4.2.5 Implementation of environmental protection measures

The details are set out in the "Environmental Information" on page 101 to page 105 of this announcement.

4.2.6 Compliance with laws and regulations

As a company dually listed on Shanghai Stock Exchange and the main board of the Hong Kong Stock Exchange, during the reporting period, the Group strictly complied with laws and regulations including the Company Law, the Securities Law and the Code of Corporate Governance for Listed Companies, and the various rules of the Shanghai Stock Exchange and the Hong Kong Stock Exchange, continuously enhanced the corporate governance structure and brought forth new ideas to the operational mechanism of corporate governance, thereby continuously enhancing the rationality and effectiveness of corporate governance. During the reporting period, there was no material breach of laws and regulations by the Group.

4.2.7 Maintenance of relationship with stakeholders

The Group always maintains a cooperation relationship of harmony, mutual trust and mutual benefit with its stakeholders, and insists on putting itself in the shoes of the stakeholders to consider issues and proactively responds to the important issues of the stakeholders' concern. The Group has established a smooth, standardized and distinctive communication system with the stakeholders, and strives to achieve mutual, harmonious and win-win development with the stakeholders.

4.2.8 Outlook

Industry Landscape and Trends

The 2025 Report on the Work of the Government clearly states that in the concluding year of the “14th Five-Year Plan”, China will adhere to the general principle of seeking progress while maintaining stability, implement the new development concept in a complete and accurate manner, accelerate the construction of a new development pattern, solidly promote high-quality development, further deepen reforms in an all-round manner, expand high-level opening up, build a modernized industrial system, better coordinate development and security, implement more proactive macroeconomic policies, expand domestic demand, promote the integration of technological innovation and industrial innovation, stabilize the property market and the stock market, prevent and resolve risks and external shocks in key areas, stabilize expectations, stimulate vitality, and promote sustained recovery and improvement of the economy. Infrastructure investment, as the main force of “counter-cyclical regulation + cross-cyclical regulation”, plays an important role in stabilizing growth. **In terms of planning and development opportunities**, with the release of a series of important policy documents including “Opinions on Comprehensively Promoting the Construction of Beautiful China”, “Five-Year Action Plan for Deepening the Implementation of People-oriented New Urbanization Strategy”, “Opinions on Promoting the Construction of New Urban Infrastructures to Build Resilient City”, “Notice on Strengthening the Construction and Operation and Maintenance of Urban Domestic Sewerage Pipeline Networks”, “Opinions on Financial Support for the Construction of the ‘Three Norths’ Project”, “Guiding Opinions on Accelerating the Development of Water-Saving Industries”, “Opinions on Strengthening the Planning and Construction of Coastal and Inland Ports and Waterways in the New Era”, “Action Plan for Accelerating the Construction of New Power System (2024-2027)”, “Guiding Opinions on Promoting the High-Quality Development of Transportation Infrastructure Construction by Creating Demonstrations of Safe Centennial Quality Projects”, and with the in-depth implementation of major regional strategies and regional coordinated development strategies including the coordinated development of Beijing-Tianjin-Hebei, the development of the Yangtze River Economic Belt, the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, the integrated development of the Yangtze River Delta, and the ecological protection and high-quality development of the Yellow River Basin, the “two priorities”

construction, “three major projects”, construction in fields like urban renewal, rural revitalization, new energy, ecological and environmental protection, high-standard farmland, national backbone water network and new infrastructure have continued to advance, laying a solid foundation for the steady and positive development of the infrastructure industry in the future. **In terms of the funding support**, China will give top priority to the expansion of domestic demand on all fronts, implement a more proactive fiscal policy and an appropriately loose monetary policy, and increase the intensity of fiscal spending by raising the deficit rate, issuing more ultra-long-term special national bonds and increasing the issuance and use of local government special bonds. In 2025, RMB1.3 trillion of ultra-long-term special national bonds will be issued, and RMB4.4 trillion of local government special bonds will be arranged, focusing on investment in construction, land storage and acquisition of existing commercial housing, and digesting local government arrears of accounts owed to enterprises. The intensity of financial support will be significantly increased. **In terms of the industry innovation and upgrading**, during the “14th Five-Year Plan” period, traditional infrastructure investment will continue to maintain a high level of operation, and major projects such as the plateau railway, Chengdu-Chongqing Central Line High-speed Railway and the Yangtze River to Hankou Diversion Project will be orderly promoted; “new infrastructure” will continue to exert its strength, and the scope of application of artificial intelligence will continue to expand. There is broad space for the development of smart cities, smart transportation and smart energy. China has clearly proposed to actively use digital technology and green technology to transform and upgrade traditional industries and cultivate new growth points such as green buildings. It is expected that the development of the construction industry will gradually shift from being driven by investment, labor and other factors to being driven by innovation. The integrated development of the construction industry with advanced manufacturing technology, information technology, energy-saving technology and artificial intelligence technology will be further deepened, and the pace of industrialization, digitalization and intelligent upgrading of buildings will be accelerated, which will further promote the construction industry to move towards intensive high-quality development.

Corporate Development Strategy

During the “14th Five-Year Plan” period, China Railway focuses on its historical mission and main responsibilities and business, takes promoting high-quality development as the theme, promotes transformation and upgrading as the main task, follows the “eight must-haves” as the strategic guidance, promotes the implementation of the “123456” development strategy, and adopts the growth approach of “two transformations” (i.e. transformation from debt-driven development to accumulation and innovation-driven development, transformation from traditional production and operation to asset management and capital operation). It is committed to becoming an enterprise with five characteristics in the new era: a national pillar with strong sense of responsibility, a pioneer with leading infrastructure, a leader in the industrial chain focusing on

green development, a transnational company with brand influence and a modern enterprise with social respect. China Railway continues to enhance its capacities of competitiveness, innovation, control, influence and risk resistance, and initially builds itself into a world-class comprehensive construction industry group with global core competitiveness.

During the “14th Five-Year Plan” period, China Railway focuses on improving its primacy ratio in the industry, in China and in the world, and on enhancing the synergy among various businesses in the industry chain, the value chain, the supply chain and the innovation chain. It is committed to strengthening the three core businesses of design and consulting, engineering construction and equipment manufacturing to catch up with the world-class level; optimizing the two key businesses of characteristic real estate and asset operation to build a first-class brand in China; specializing the two major supporting businesses of resources utilization and financial and merchandise trading to build a first-class platform in the industry; and expanding relevant emerging businesses to create new drivers of development, so as to comprehensively enhance its core competitiveness, and lay a solid foundation for its transformation and upgrading.

4.2.9 Operating plan

2025 is the final year of the “14th Five-Year” Plan. The Group will follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, deeply implement the spirit of the 20th National Congress of the Communist Party and the Second and Third Plenary Sessions of the 20th CPC Central Committee, fully implement the requirements of the Central Economic Work Conference and the Central Enterprise Leaders’ Meeting, adhere to the general tone of seeking progress while maintaining stability, firmly implement the “123456” work strategies, anchor the main line of “efficiency improvement and value creation”, unswervingly implement overall requirements of “strengthening Party building, improving the atmosphere and tightening management (強黨建、正風氣、嚴管理)”, focus on the goals and tasks of “increasing cash flows, reducing liabilities and controlling risks”, implement reform, pursue innovation, optimize structure and guarantee stability, continuously enhance the core corporate functions, improve core competitiveness, and better play the role of science and technology innovation, industrial control and safety support. The Group will strive to take the lead in and set an example for promoting high-level self-reliance and self-improvement in science and technology, building a modern industrial system and developing new quality productive forces, comprehensively accelerate the construction of “high-quality China Railway”, and make every effort to complete the goals and tasks of the “14th Five-Year” Plan, so as to lay a solid foundation for achieving a good start of the “15th Five-Year” Plan and to better serve the construction of Chinese-style modernization.

In 2025, the Group plans to achieve total revenue of approximately RMB1,132.0 billion, costs of operation (including interest expense) of approximately RMB1,021.1 billion, and four expenses of approximately RMB62.5 billion. It is estimated that the newly signed contracts to be entered into will amount to approximately RMB2.8 trillion. The Group will promptly adjust its operation plan in response to the market changes and the actual implementation of the plan.

4.3 Financial Performance Overview

The Group's principal business activities are infrastructure construction, survey, design and consulting services, engineering equipment and component manufacturing, property development and other businesses.

In the year of 2024, the Group achieved revenue of RMB1,160.311 billion, representing a year-on-year decrease of 8.2%. Profit for the year decreased by 18.3% year-on-year to RMB30.758 billion while profit for the year attributable to owners of the Company decreased by 16.7% year-on-year to RMB27.887 billion.

A comparison of the financial results for 2024 and 2023 is set forth below.

4.4 Consolidated Results of Operations

Revenue

In 2024, the Group's revenue decreased year-on-year by 8.2% to RMB1,160.311 billion. Among which, revenue from overseas was RMB68.644 billion, representing a year-on-year increase of 10.3%.

Cost of sales and services and gross profit

The Group's cost of sales and services primarily includes cost of raw materials and consumables, subcontracting cost, equipment usage cost (consisting of maintenance, rental and fuel), employee compensation and benefits and depreciation and amortization expenses. In 2024, the Group's cost of sales and services recorded a year-on-year decrease of 7.9% to RMB1,050.080 billion while gross profit of the Group decreased year-on-year by 10.2% to RMB110.231 billion. The overall gross profit margin for 2024 was 9.5%, representing a decrease of 0.2 percentage point from 9.7% for 2023.

Other income

The Group's other income primarily consists of subsidies from government, interest income from other financial assets at amortised cost, compensation and claims and dividend income. In 2024, the Group's other income was RMB4.018 billion, increased by 16.8% from RMB3.439 billion of last year.

Other expenses

The Group's other expenses primarily includes compensation expenditure, penalty cost and lawsuit expenditure. In 2024, the Group's other expenses decreased by 31.9% from RMB1.243 billion of last year to RMB0.847 billion, mainly due to the decrease in compensation expenditure and lawsuit expenditure.

Net impairment losses on financial assets and contract assets

The Group's net impairment losses on financial assets and contract assets mainly includes impairment losses on trade and other receivables, other financial assets at amortised cost and contract assets. In 2024, the Group's net impairment losses on financial assets and contract assets decreased year-on-year by 4.9% to RMB6.798 billion, mainly attributable to the decrease in impairment losses on trade and other receivables.

Other gains, net

The Group's other gains and losses mainly include gains/losses on disposal/write-off of right-of-use assets and property, plant and equipment, foreign exchange gains/losses and gains/losses on disposal and changes in the fair value of financial assets/liabilities through profit and loss. The Group's other gains recorded RMB754 million in 2024, mainly comprised of gains of RMB468 million on disposal/write-off of property, plant and equipment and other assets.

Losses from derecognition of financial assets at amortised cost

The Group's losses from derecognition of financial assets at amortised cost mainly include the losses arising on derecognition of trade receivables which were transferred in accordance with asset-backed notes ("ABN") and asset-backed securities ("ABS") issuance, and non-recourse factoring agreements. In 2024, the Group's losses from derecognition of financial assets at amortised cost was RMB5.145 billion, basically remained the same as last year. In 2024, the Group transferred trade receivables of RMB89.480 billion and RMB17.036 billion under the issuance of ABN and ABS, and non-recourse factoring agreements, respectively (2023: RMB67.619 billion and RMB14.765 billion, respectively).

Selling and marketing expenses

The Group's selling and marketing expenses primarily consist of employee compensation and benefits, distribution and logistic costs and advertising costs. In 2024, the Group's selling and marketing expenses amounted to RMB6.944 billion, representing a year-on-year increase of 1.4%. Such increase was mainly due to strengthened marketing efforts and increase in marketing investment. The selling and marketing expenses as a percentage of the total revenue for 2024 was 0.6%, representing an increase of 0.1 percentage point from last year.

Administrative expenses

The Group's administrative expenses mainly consist of employee compensation and benefits and depreciation and amortisation of its assets related to administration. In 2024, the Group's administrative expenses were RMB25.495 billion, representing a year-on-year decrease of 12.0%. The decrease in expenses was mainly because the Group has deepened the promotion of "cost reduction and efficiency improvement" and strengthened the control of management expenses. Administrative expenses as a percentage of revenue for 2024 was 2.2%, representing a decrease of 0.1 percentage point from last year.

Research and development expenditures

In 2024, the Group's research and development expenditures decreased by 11.2% from RMB30.000 billion of last year to RMB26.632 billion. The Group's investment in research and development continued to remain at a high level.

Finance costs, net

In 2024, the Group's net finance costs (finance costs less finance income) was RMB4.939 billion, representing an increase of 55.3% from last year. It was mainly because the delay in payments by certain project owners have led to an increase in external borrowings, which caused the increase in interest expenses.

Profit before income tax

As a result of the foregoing factors, the profit before income tax for 2024 decreased by RMB6.968 billion or 14.6% to RMB40.613 billion from RMB47.581 billion for 2023.

Income tax expense

In 2024, the Group's income tax expense was RMB9.855 billion, remained basically the same as last year. By excluding the impact of land appreciation tax, the effective income tax rate of the Group was 20.0% for 2024, representing an increase of 2.3 percentage points from last year.

Profit for the year attributable to owners of the Company

In 2024, profit for the year attributable to owners of the Company decreased by 16.7% to RMB27.887 billion from RMB33.483 billion for 2023.

4.5 Segment Results

The revenue and results of each segment of the Group's business for the year ended 31 December 2024 are set forth in the table below.

Business segment	Revenue <i>RMB million</i>	Growth rate <i>(%)</i>	Profit/(loss) before income tax <i>RMB million</i>	Growth rate <i>(%)</i>	Profit/(loss) before income tax margin ¹ <i>(%)</i>	Revenue as a percentage of total <i>(%)</i>	Profit/(loss)
							before income tax as a percentage of total <i>(%)</i>
Infrastructure Construction	1,020,533	-9.9	34,439	-15.5	3.4	83.3	81.0
Survey, Design and Consulting Services	18,523	-3.9	1,460	10.4	7.9	1.5	3.4
Engineering Equipment and Component Manufacturing	35,898	-0.2	1,974	-3.1	5.5	2.9	4.6
Property Development	48,870	-5.2	(2,402)	186.0	(4.9)	4.0	(5.6)
Other Businesses	102,209	-6.9	7,084	-5.2	6.9	8.3	16.6
Inter-segment Elimination and Adjustments	<u>(65,722)</u>		<u>(1,942)</u>				
Total	<u>1,160,311</u>	<u>-8.2</u>	<u>40,613</u>	<u>-14.6</u>	<u>3.5</u>	<u>100.0</u>	<u>100.0</u>

¹ Profit/(loss) before income tax margin is the profit/(loss) before income tax divided by the revenue.

Infrastructure construction business

Revenue from the Group's infrastructure construction business is mainly derived from construction of railway, highway and municipal works. Revenue from the infrastructure construction business continues to account for a high percentage of total revenue of the Group. In 2024, the revenue from the infrastructure construction business accounted for 83.3% of the total revenue of the Group (2023: 84.0%). In 2024, the Group's revenue of infrastructure construction business decreased by 9.9% year-on-year to RMB1,020.533 billion. Gross profit margin and profit before income tax margin of the infrastructure construction segment for 2024 was 8.3% and 3.4% respectively (2023: 8.6% and 3.6% respectively). The decrease in gross profit margin and profit before income tax margin was mainly due to the significant decrease in profitability of highway business resulting from the decline in investment business scale.

Survey, design and consulting services business

Revenue from the survey, design and consulting services business primarily derives from providing a full range of services on survey, design and consulting, research and development, feasibility studies and compliance certification of infrastructure construction projects. In 2024, the Group's survey, design and consulting services business recorded revenue of RMB18.523 billion, representing a year-on-year decrease of 3.9%. Gross profit margin and profit before income tax margin for the segment for 2024 was 29.1% and 7.9% respectively (2023: 28.0% and 6.9% respectively). The increase in gross profit margin and profit before income tax margin was mainly due to the Group's focus on improving quality and efficiency, strengthening cost control and increasing profitability.

Engineering equipment and component manufacturing business

Revenue from the engineering equipment and component manufacturing business primarily derives from the design, research and development, manufacture and sale of turnouts and other railway-related equipment, bridge steel structures and construction machinery. In 2024, the revenue of the engineering equipment and component manufacturing business of the Group decreased by 0.2% year-on-year to RMB35.898 billion. Gross profit margin and profit before income tax margin was 19.6% and 5.5% respectively for 2024 (2023: 21.0% and 5.7% respectively). The decrease in gross profit margin and profit before income tax margin was mainly due to the decline in profitability resulting from intense market competition and decrease in sales prices of tunnel construction equipment.

Property development business

In 2024, the Group's revenue from property development business recorded RMB48.870 billion, decreased by 5.2% year-on-year. Gross profit margin and profit before income tax margin was 11.1% and -4.9% in 2024 (2023: 12.1% and -1.6% respectively). The decrease in gross profit margin and profit before income tax margin was mainly due to the continuous decline in the real estate market, the decrease in sales prices and the extension in sales cycle.

Other businesses

In 2024, the Group steadily implemented the limited and interrelated diversification strategy, and the revenue from other businesses decreased year-on-year by 6.9% to RMB102.209 billion in 2024. Gross profit margin for 2024 was 17.3%, representing an increase of 0.7 percentage point from 16.6% for 2023. Profit before income tax for 2024 was RMB7.084 billion (2023: RMB7.469 billion). Among which: ① Revenue from asset operation business was RMB5.658 billion, a year-on-year increase of 39.3%. ② Revenue from resources utilisation business was RMB8.208 billion, a year-on-year decrease of 8.8%. ③ Revenue from merchandise trading business was RMB65.222 billion, a year-on-year decrease of 11.3%. ④ Revenue from financial business was RMB4.347 billion, a year-on-year decrease of 1.3%.

4.6 Cash Flow

In 2024, the net cash inflow from operating activities of the Group amounted to RMB28.051 billion, representing a decrease in net cash inflow of RMB10.313 billion from RMB38.364 billion for 2023, mainly due to the fact that to the Group actively took effective measures to strengthen cash flow management and control and continued to maintain a good cash flow level.

In 2024, the net cash outflow from investing activities of the Group amounted to RMB82.289 billion, representing an increase in net cash outflow of RMB7.649 billion from RMB74.640 billion for 2023, which was mainly due to the increase in payment for investment by the Group.

In 2024, the net cash inflow from financing activities of the Group amounted to RMB57.395 billion, representing an increase in net cash inflow of RMB30.264 billion from RMB27.131 billion for 2023, which was mainly due to the increase in external borrowing resulting from delay in payments by certain project owners and increase in investment from shareholder in infrastructure investment projects.

Capital expenditure

The capital expenditure of the Group primarily comprises expenditure on purchases of equipment, upgrading of the Group's production facilities and investment in infrastructure investment projects under intangible assets mode. The Group's total capital expenditure for 2024 was RMB71.037 billion, representing a decrease of 5.3% from RMB75.011 billion for 2023. Such decrease was mainly due to the decrease in capital expenditure on property, plant and equipment and intangible assets.

The following table sets forth the Group's capital expenditure by business segment in 2024.

	Infrastructure construction <i>RMB million</i>	Survey, design and consulting services <i>RMB million</i>	Engineering equipment and component manufacturing <i>RMB million</i>	Property development <i>RMB million</i>	Other businesses <i>RMB million</i>	Total <i>RMB million</i>
Property, plant and equipment	17,898	252	1,452	750	3,163	23,515
Investment properties	32	-	-	311	224	567
Intangible assets	14,092	33	62	9	22,897	37,093
Mining assets	2	-	-	-	4,640	4,642
Right-of-use assets	4,492	43	134	246	305	5,220
Total	<u>36,516</u>	<u>328</u>	<u>1,648</u>	<u>1,316</u>	<u>31,229</u>	<u>71,037</u>

Working capital

	As at 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Inventories	72,372	57,153
Trade and bills receivables	359,446	193,674
Trade and bills payables	773,169	588,737
Turnover of inventory (days)	22	17
Turnover of trade and bills receivables (days)	86	50
Turnover of trade and bills payables (days)	233	169

At the end of 2024, the balance of the Group's inventories was RMB72.372 billion, representing an increase of 26.6% from the end of 2023. Such increase was mainly due to the increase in construction material reserves for ensuring the production progress of projects. The Group's inventory turnover days was 22 days in 2024, representing an increase of 5 days from 2023.

Trade and bills receivables

At the end of 2024, the Group's trade and bills receivables increased by 85.6% from the end of 2023 to RMB359.446 billion, which was mainly due to the increase in business scale and the delayed payment of some project owners. The turnover days of trade and bills receivables was 86 days in 2024, representing an increase of 36 days from 2023. According to the ageing analysis of the Group's trade and bills receivables, most of the Group's trade and bills receivables were of less than one year and the trade and bills receivables of more than one year accounted for 17.4% (31 December 2023: 26.6%) of the total receivables, which reflected the sound receivables management capability of the Group.

The following table sets forth the ageing analysis of the Group's trade and bills receivables as at 31 December 2024 and 2023, based on invoice date.

	As at 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Less than one year	297,064	142,215
One year to two years	24,032	21,833
Two years to three years	13,509	9,816
Three years to four years	7,323	4,463
Four years to five years	3,036	4,969
More than five years	14,482	10,378
Total	359,446	193,674

Trade and bills payables

The Group's trade and bills payables primarily consist of amounts owed to the Group's suppliers of raw materials, machinery and equipment. The Group's trade and bills payables increased by 31.3% from end of 2023 to RMB773.169 billion as at the end of 2024, which was mainly due to the increase in business scale and reasonable adjustment of payment methods. The turnover days of trade and bills payables was 233 days in 2024, representing an increase of 64 days from 169 days in 2023. According to the ageing analysis of the Group's trade and bills payables, most of the Group's trade and bills payables were of less than one year and the trade and bills payables of more than one year accounted for 6.3% (31 December 2023: 7.5%) of the total payables.

The following table sets forth the ageing analysis of the Group's trade and bills payables as at 31 December 2024 and 2023, based on invoice date.

	As at 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Less than one year	724,349	544,622
One year to two years	26,926	23,035
Two years to three years	8,907	10,204
More than three years	12,987	10,876
Total	773,169	588,737

4.7 Borrowings

The following table sets forth the Group's total borrowings as at 31 December 2024 and 2023.

	As at 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Bank borrowings		
Secured	145,510	142,981
Unsecured	<u>297,425</u>	<u>221,184</u>
	442,935	364,165
Long-term debentures, unsecured	50,907	48,968
Other borrowings		
Secured	1,048	1,415
Unsecured	<u>23,077</u>	<u>15,415</u>
Total	<u>517,967</u>	<u>429,963</u>
Long-term borrowings	373,736	316,647
Short-term borrowings	<u>144,231</u>	<u>113,316</u>
Total	<u>517,967</u>	<u>429,963</u>

As at 31 December 2024, the Group's long-term borrowings was RMB373.736 billion, representing an increase of 18.0% from the end of 2023 while the Group's short-term borrowings was RMB144.231 billion, representing an increase of 27.3% from the end of 2023.

Bank borrowings carry interest rates ranging from 0.50% to 11.20% (31 December 2023: 0.50% to 10.88%) per annum. Long-term debentures carry fixed interest rates ranging from 2.18% to 4.80% (31 December 2023: 2.58% to 4.80%) per annum. Other borrowings carry interest rates of 2.65% to 4.80% (31 December 2023: 3.06% to 4.43%) per annum. In 2024, the Group's average cost of financing was 3.57%, representing a year-on-year decrease of 0.31 percentage point.

The following table sets forth the maturity of the Group's borrowings as at 31 December 2024 and 2023.

	As at 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Less than one year	144,231	113,316
One year to two years	51,914	52,248
Two years to five years	88,745	77,439
More than five years	233,077	186,960
Total	<u>517,967</u>	<u>429,963</u>

As at 31 December 2024 and 2023, the Group's floating-rate borrowings were RMB302.796 billion and RMB253.718 billion respectively.

The following table sets forth the carrying amounts of the Group's borrowings by currencies as at 31 December 2024 and 2023. The Group's borrowings are primarily denominated in Renminbi and the Group's foreign currency borrowings are primarily denominated in U.S. dollars.

	As at 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
RMB	508,459	420,609
USD	9,330	9,178
Euro	-	6
Others	178	170
Total	<u>517,967</u>	<u>429,963</u>

The following table sets forth the details of the Group's secured borrowings as at 31 December 2024 and 2023.

	As at 31 December			
	2024		2023	
	Secured borrowings	Carrying amount of pledged assets and contract value of certain rights	Secured borrowings	Carrying amount of pledged assets and contract value of certain rights
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Property, plant and equipment	2,065	5,885	1,497	4,171
Intangible assets	93,476	146,304	78,950	106,796
Properties under development for sale	5,444	6,939	4,710	7,697
Trade and bills receivables	445	555	185	317
Contract assets	45,128	77,928	59,054	88,039
Total	146,558	237,611	144,396	207,020

As at 31 December 2024, the Group's gearing ratio (total liabilities/total assets) was 77.4%, representing an increase of 2.5 percentage points from 74.9% as at 31 December 2023.

4.8 Contingent Liabilities

The contingent liabilities related to legal claims in the Group's ordinary course of business are set forth in the table below:

	As at 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Pending lawsuits (<i>Note 1</i>)		
– arising in the ordinary course of business	2,576	4,327

Note 1: The Group has been involved in a number of lawsuits arising in the ordinary course of business. Provision has been made for the probable losses to the Group on those claims when the management can reasonably estimate the outcome of the lawsuits taking into account of the legal advice. No provision has been made for those pending lawsuits where the management considered that the outcome of the lawsuits cannot be reasonably estimated or management believes the outflow of resources is not probable. The aggregate sum of those unprovided claims is disclosed in the table above.

4.9 Business Risks

The major risks the Group may face include real estate investment risk, international operations risk, infrastructure investment risk and cash flow risk.

- 1. Real estate investment risk:** This refers to the possibility of incurring losses due to investment returns falling below expectations resulting from significant changes occurring in factors such as external environment, interest rates, market supply and demand, market competition and relevant policies during real estate project development and operation.
- 2. International operation risk:** This refers to the possibility of financial losses or reputational damage exposed to the Group resulting from the negative impact of international political situation, foreign policy changes, administrative intervention from government, economic, social, environmental or technological standard changes and other factors on the Group's operations which caused that overseas production and operations cannot proceed normally.
- 3. Infrastructure Investment Risk:** This refers to the possibility of incurring losses due to investment returns falling below expectations resulted from significant changes occurring in external policies, market environment and financing conditions during infrastructure investment.
- 4. Cash flow risk:** This refers to the possibility of financial losses or reputational damage exposed to the Group resulting from escalating financing scale, potential delays in payments, investments or debt repayment of the Group due to increased cash outflows, relatively slower inflows and significant financial pressure.

To prevent the occurrence of various types of risks, the Group carries out assessment, monitoring and early warning of relevant major risks, makes various types of risks correspond to the various business processes through the establishment and operation of the risk management and internal control systems, pursuant to which the Group can decompose and identify the critical control point of business processes, develop specific control measures, establish procedures control lists, implement the responsibilities of the various types of risks and critical control point, work closely with the day-to-day management and control, and control risk factors and elements. In addition, the Group strictly supervises the important control aspects of earlier stage of feasibility study, planning, reviewing, auditing, approval and decision-making; enhances procedure control and post-assessment work, and develops strategies and contingency plans to deal with risks, which guarantees the overall controllability of the Group's various types of risks.

5 SIGNIFICANT EVENTS

5.1 The Plan for Profit Distribution on Ordinary Shares or Capitalisation of Capital Reserves

5.1.1 *Formulation, implementation or adjustment of the cash dividend policy*

(1) *Specific policies for profit distribution*

According to the Articles of Association of the Company, the specific policies for profit distribution of the Company are as follows:

- (i) Form of profit distribution: The Company distributes profits in cash, share or a combination of cash and share. The Company can make interim profit distributions when conditions permit.
- (ii) Specific conditions, proportion and interval of the Company's cash dividends: Under the premise of ensuring the Company's continuous operation and long-term development, if the Company is profitable in the year and the accumulated undistributed profit is positive and there are no major investment plans or other major cash expenditures, the Company will distribute the profits in cash after appropriation to the statutory reserves and other reserves in full. In any three consecutive years, the Company's accumulated profits distributed in cash shall not be less than 30% of the annual average distributable profits realized in the three years; the annual profits distributed in cash shall generally not be less than 10% of the distributable profits realized in the year. The Company may not distribute cash dividends under the following special circumstances:
 - ① The auditors issue a non-standard unqualified audit report on the Company's financial report for the year.
 - ② The operating net cash flow is negative in the year.

If the abovementioned conditions for cash dividends are met, the Company in principle shall distribute cash dividends once a year, and the Company's Board of Directors can propose the Company to make interim cash dividends based on the Company's profitability and capital demand.

(iii) Specific conditions for the Company to issue share dividends:

The Company can propose a share dividend distribution plan when the Company is in good operating condition, and the Board of Directors believes that the Company's share price does not match the Company's share capital and that issuing share dividends is beneficial to the overall interests of all shareholders of the Company, under the premise that the abovementioned conditions for cash dividends are met.

(2) *Implementation of the cash dividend policy during the reporting period*

Profits are distributed in cash under the profit distribution plan of the Company for 2023. Pursuant to the profit distribution plan considered and passed at the 2023 annual general meeting convened on 28 June 2024, a cash dividend of RMB0.21 (tax inclusive) per share based on the total share capital of 24,750,629,817 shares before the implementation of the plan was declared by the Company, totaling RMB5,197,632,261.57 (tax inclusive) and representing 15.52% of net profit attributable to the listed company's shareholders under the consolidated financial statements for the year of 2023 of the Company. The announcement on the profit distribution of H shares was published on 5 July 2024 on the website of Hong Kong Stock Exchange and the website of the Company. The announcement on the profit distribution of A shares was published on 20 July 2024 on China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily and the website of Shanghai Stock Exchange. As of 8 August 2024, the implementation of the profit distribution plan of the Company for 2023 has been completed.

(3) *Profit distribution plan for 2024*

Pursuant to the relevant provisions of the Company Law and the Articles of Association, taking into account factors such as shareholder returns and the capital requirements of the Company for its business development, and in accordance with the "Resolution on the Profit Distribution Plan for 2024 of the Company" which was adopted at the 9th meeting of the sixth session of the Board, the details of the profit distribution plan are set out below: the retained profits of the parent at the beginning of 2024 were RMB100,019,536,183.04 based on the audited financial report prepared of the Company for 2024. After taking into account the added net profit realized by the parent of RMB12,439,517,947.28 during the year and deducting the cash dividends for 2024 and interest payments on perpetual notes amounting to RMB6,338,107,166.22, and with 10% of the net profit of the parent, i.e. RMB1,243,951,794.72, being appropriated to its surplus reserve, the distributable profit of the parent to shareholders amounted to RMB104,876,995,169.38 as of 31 December 2024. As of 28 March 2025, the Company's total share capital was 24,741,865,118 shares. After deducting

856,199 shares to be repurchased and cancelled, the Company's total share capital is 24,741,008,919 shares. Based on such amount, a cash dividend of RMB1.78 per 10 shares (tax inclusive) is proposed to be distributed, and the total amount of such dividend is RMB4,403,899,587.58 (tax inclusive), representing 15.79% of net profit attributable to the Company's shareholders under the consolidated financial statements for the current year of the Company. Upon the distribution, the remaining retained profit of the parent amounting to RMB100,473,093,581.80 will be carried forward to the next year. The profit distribution will be based on the total share capital on the record date for payment of the cash dividend. In the event of change in total share capital of the Company before the record date for payment of the cash dividend, the total distribution amount will be kept unchanged and the rate will be adjusted accordingly. The Company will make a further announcement on the details of the adjustment.

(4) *Information on the profit distribution for 2024*

In 2024, the Company intends to make a cash dividend at 15.79% of net profit attributable to the shareholders of the listed company under the consolidated financial statements for the current year of the Company, where dividend payout ratio is less than 30% of net profit attributable to the shareholders of the listed company for the current year, reasons of which are mainly as follows:

(i) Situation and characteristics of the industry of the Company

In 2024, the construction industry showed the characteristics of high slowdown, structural adjustment, rational development and intensified differentiation. The demand for infrastructure construction was generally stable, but the niche sectors were differentiated and unbalanced. The incremental space in the traditional construction field was narrowing, the construction projects and new infrastructures in "two heavy industries" was accelerating, and local debts and corporate payment collection still existed. The construction industry in which the Company operates is full of competition, the market competition is fierce, the profit margin is generally low in the industry, the gearing ratio of the industry is relatively high, and the amount of accounts receivable and contract assets is relatively high. The construction projects have the industry characteristics of multiple points, wide coverage, large single volume and long production cycle, and capital needs for maintaining daily business operation are relatively high.

(ii) Listed company's development stage and its own business model

The Company has deeply integrated itself into national strategies, continuously optimized its regional layout, comprehensively promoted deepening reforms, consistently adhered to high-quality development, and steadily enhanced its global competitiveness and brand influence. The Company will continue to pursue diversified and collaborative development, fully exert the synergies of business segments, intensify efforts in structural adjustment and transformation and upgrading, continuously strengthen the construction of a modern industrial system, and comprehensively accelerate the building a "high-quality China Railway". Additionally, in order to maintain the market competitiveness, the Company has to constantly invest in technology research and development, equipment updating, talent cultivation and other aspects so as to enhance the Company's competitiveness. and lay down a solid foundation for achieving sustainable development and long-term strategic objectives.

(iii) Profitability level and demands on the funds of the Company

In recent years, the Company has maintained a relatively stable profitability and generated a continuing stable returns on investment for its shareholders. Firstly, sufficient funds should be maintained to meet the liquidity demands of daily operation in order to ensure the smooth advancement of projects and the Company's stable operation. Secondly, as the Company strengthens structural adjustment and transformation and upgrading, actively develops emerging industries and initiatively expands develops the "second curve" in growth, it requires a lot of financial support. Lastly, in view of the current downturn in the world economy and the cyclical and structural challenges of domestic economy, the external environment of the Company is extremely complex, and therefore, a certain proportion of retained earnings shall be retained to enhance the Company's ability to cope with risks.

(iv) Reasons for the listed company's low level of cash dividends

On one hand, the global economy remains sluggish, while the domestic economy faces both cyclical and structural challenges, and the construction industry has entered the deep adjustment period, creating a complex external environment for businesses. It is objectively necessary to retain earnings to enhance the Company's risk resilience. On the other hand, in order to meet the funding needs of daily operations, project investment and emerging business expansion of the Company, it is necessary for the Company to retain sufficient fund reserves to ensure its sustained production and operation capabilities.

- (v) Exact purpose of the listed company's retained undistributed profits and estimated earnings

The Company's retained undistributed profits will be used for the Company to seize development opportunities, continue to deepen the Company's strategic transformation, enhance structural adjustment, and seek new growth points. On the basis of consolidating the advantages of traditional business, the Company will actively cultivate emerging business according to the main businesses and market demand, increase capital investment, promote the optimization and upgrading of business structure, enhance the profitability, and provide shareholders with long-term and stable return.

(5) *Arrangement of 2025 interim dividend plan*

In order to implement relevant requirements of the Certain Opinions on Strengthening Regulation, Preventing Risks and Promoting the High-Quality Development of the Capital Market (《關於加強監管防範風險推動資本市場高質量發展的若干意見》) issued by the State Council, the Certain Opinions on Improving and Strengthening the Management of Market Value of Listed Companies Controlled by Central Enterprises (《關於改進和加強中央企業控股上市公司市值管理工作的若干意見》) issued by the SASAC of the State Council and the Listed Companies Regulatory Guidance No. 10 – Market Value Management (《上市公司監管指引第10號—市值管理》) on encouraging listed companies to increase frequency of dividend distribution and optimizing dividend distribution tempo, and to further stabilize investors' dividend distribution expectation, share the Company's operating performance with investors in a timely manner and enhance investors' confidence of long-term shareholding, the Company proposes to make one more interim dividend distribution during the disclosure of interim report of 2025. The Board of Directors of the Company proposed to general meeting of shareholders to authorize the Board of Directors to formulate and implement the interim dividend distribution plan of 2025 once satisfying the profit distribution conditions. Detailed arrangement is as follows:

- (1) Conditions for interim dividends: ① the Company will record continuous profit-making in the first half of 2025; ② cash flows can meet the Company's daily operations and capital expenditures and other capital needs; ③ it will not affect the normal operation and sustainable development of the Company.

- (2) Cap of interim dividends: the total dividends shall not exceed 20% of net profit of the Company attributable to ordinary shareholders of listed company in the first half of 2025.
- (3) Authorization arrangement: in order to simplify the dividend distribution procedure, it will propose the general meeting to authorize the Board of Directors to formulate and implement a specific interim dividend distribution plan within the scope of the above-mentioned interim dividend distribution plan.

5.1.2 Special explanation of the cash dividend policy

- Was it in compliance with the provisions of the Articles of Association and the resolutions of the general meeting? ✓Yes No
- Were the dividend distribution criteria and proportion well-defined and clear? ✓Yes No
- Were the related decision-making process and mechanism in place? ✓Yes No
- Did independent directors fulfill their duties and play their role? ✓Yes No
- Were the minority shareholders given opportunities to sufficiently voice their opinion and make requests and were the legal interests of the minority shareholders fully protected? ✓Yes No

5.1.3 If profits for the reporting period and the distributable profit of the Company to ordinary shareholders are positive and no profit distribution plan in cash for the ordinary shares is proposed, the Company should disclose the reasons as well as the use and intended use of the retained profits in details

Not applicable

5.1.4 Proposed profit distribution and conversion of capital reserve into share capital plan during the reporting period

Unit: Yuan Currency: RMB

Number of bonus shares for every 10 shares (share)	0
Dividend amount per 10 shares (<i>RMB</i>) (tax inclusive)	1.78
Number of shares capitalised for every 10 shares (share)	0
Amount of cash dividends (tax inclusive)	4,403,899,587.58
Net profit attributable to ordinary shareholders of the Company as reflected in the consolidated financial statements	27,886,745,330.13
Percentage of amount of cash dividends in net profit attributable to ordinary shareholders of the Company as reflected in the consolidated financial statements (%)	15.79
Repurchase of shares for cash included in cash dividends	0
Total amount of cash dividends (tax inclusive)	4,403,899,587.58
Percentage of total amount of cash dividends in net profit attributable to ordinary shareholders of the Company as reflected in the consolidated financial statements (%)	15.79
Undistributed profit at the end of the year as reflected in the financial statements of the parent company for the latest accounting year	104,876,995,169.38

5.1.5 Cash dividends for the latest three accounting years

Unit: Yuan Currency: RMB

Cumulative cash dividends for the last three accounting years (tax inclusive) (1)	14,551,971,045.75
Cumulative amount of repurchases and cancellation for the last three accounting years (2)	0
Cumulative amount of cash dividends and repurchases and cancellation for the last three accounting years (3)=(1)+(2)	14,551,971,045.75
Average annual net profit for the last three accounting years (4)	30,880,801,383.17
Percentage of cash dividends for the last three accounting years (%) (5)=(3)/(4)	47.12
Net profit attributable to ordinary shareholders of the Company as reflected in the consolidated financial statements for the last accounting year	27,886,745,330.13
Undistributed profit at the end of the year as reflected in the financial statements of the parent company for the last accounting year	104,876,995,169.38

5.2 Share Incentive Scheme, Employee Stock Ownership Plan and Other Incentive Measures and the Impacts Thereof

As of 31 December 2022, the 2021 Restricted Share Incentive Scheme of the Company was implemented completely, including the initial grant of 170.7244 million restricted shares on 17 January 2022 and the grant of 11.922 million reserved restricted shares on 2 November 2022. Regarding 5 participants of the initial grant, 2 participants were transferred from the Company and ceased to take office in the Company due to organisational arrangements, 3 participants were disqualified from the 2021 Restricted Share Incentive Scheme due to incompetence in the position, disqualification in performance appraisal, negligence, violation of laws, non-compliance of laws, etc.. The Company repurchased and cancelled 1,379,700 restricted shares that had been granted to the above 5 participants but not yet unlocked on 28 December 2022.

On 23 February 2024, the number of restricted shares unlocked and listed under the first unlocking period under the first grant of the 2021 Restricted Share Incentive Scheme of the Company was 55,910,838 shares.

The Company completed the repurchase and cancellation of 1,566,166 restricted shares that had been granted to 7 other participants but not yet unlocked on 11 March 2024. Among the above mentioned 7 participants, 1 participant was transferred from the Company and ceased to take office in the Company due to organisational arrangements, 1 participant died, 1 participant offered to resign during the term of the labor contract, 2 participants violated laws and regulations, and 2 participants were found to be competent in the individual performance appraisal in 2022 (80% of the restricted shares was unlocked during the current period, and the remaining 20% of the restricted shares not yet unlocked was repurchased and cancelled by the Company).

On 2 December 2024, the number of restricted shares unlocked and listed under the first unlocking period under the reserved grant of the 2021 Restricted Share Incentive Scheme of the Company was 3,958,098 shares.

In addition, the Company completed the repurchase and cancellation of 7,384,576 restricted shares that had been granted to 43 participants but not yet unlocked on 25 December 2024. Among the participants under the first grant, 1 participant was transferred from the Company and ceased to take office in the Company due to organisational arrangements, 36 participants retired normally as the legal retirement age was reached and the time of retirement was more than 6 months before the selling restrictions are unlocked, 2 participants resigned from the Company during the employment contract period, 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.; among the participants under the reserved grant, 1 participant received a fair performance rating in the 2022 annual individual performance appraisal (80% of the restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares would be repurchased

and canceled by the Company). The Company completed the repurchase and cancellation of 1,380,123 restricted shares that had been granted to 14 other participants under the first grant but not yet unlocked on 25 December 2024. Among the above mentioned 14 participants, 1 participant became unable to hold restricted shares of the Company after becoming a management leader of the State-owned Assets Supervision and Administration Commission of the State Council, 1 participant was transferred from the Company due to organizational arrangements and the time of transfer was more than 6 months before the selling restrictions for the second batch are unlocked, 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., 1 participant was transferred from the Company due to organizational arrangements and the time of transfer was less than 6 months before the selling restrictions for the second batch are unlocked but more than 6 months before the selling restrictions for the third batch are unlocked, 6 participants retired normally as the legal retirement age was reached and the time of retirement was less than 6 months before the selling restrictions for the second batch are unlocked but more than 6 months before the selling restrictions for the third batch are unlocked, and 2 participants received a competent performance rating in the 2023 annual individual performance appraisal (80% of the restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares would be repurchased and canceled by the Company).

On 13 March 2025, among the participants under the first grant of the 2021 Restricted Share Incentive Scheme of the Company, 2 participants became unable to hold restricted shares of the Company and thus were disqualified from the 2021 Restricted Share Incentive Scheme; 3 participants were disqualified from the 2021 Restricted Share Incentive Scheme due to incompetence to the position, disqualification in performance appraisal, negligence, violation of laws and regulations, etc. Pursuant to the requirements of the 2021 Restricted Share Incentive Scheme and relevant laws and regulations, the Company decided to repurchase and cancel part of restricted shares under the 2021 Restricted Share Incentive Scheme. The total number of restricted shares proposed to be repurchased by the Company are 856,199 shares.

Purpose of the incentive scheme

In order to further promote the establishment and improvement of the long-term incentive mechanism of the Company, attract and retain talents, fully incentivize the senior management personnel, middle management personnel and core personnel of the Group, effectively align the interests of the Shareholders, the Company with the individual interests of the operators to focus on and work collectively for the long-term development of the Company, the Incentive Scheme was formulated in accordance with the relevant requirements under the Securities Law, the Company Law, the Articles of Association and other relevant laws and regulations as well as in conjunction with the current management systems such as the remuneration system and performance appraisal system of the Company.

Participants of the incentive scheme

The participants include: 1. senior management of the Group; 2. middle management of the Group; and 3. core key personnel of the Group.

Total number of restricted shares available for issue under the incentive scheme and their percentage in the total shares issued as at the date of this announcement

The number of restricted shares to be granted under the 2021 Restricted Share Incentive Scheme is not more than 200,000,000 A shares, of which 180,000,000 A shares are to be initially granted and 20,000,000 A shares are reserved. As at 31 December 2024, the 2021 Restricted Share Incentive Scheme was implemented completely. The Company granted 170,935,835 A shares under the 2021 Restricted Share Incentive Scheme (excluding the 11,710,565 restricted shares that were repurchased and canceled by the Company as of 31 December 2024), and the number of restricted shares issued accounting for approximately 0.83% of the total A share capital and 0.69% of the total share capital of the Company as of the date of this announcement.

Cap of restricted shares available for grant to each participant in the incentive scheme

The total number of the Company's restricted share granted under the 2021 Restricted Share Incentive Scheme to any of the participants shall not exceed 1% of the total A share capital of the Company at the time when the 2021 Restricted Share Incentive Scheme was submitted for approval at the general meetings. The value of the entitlements granted to senior management shall be determined at no more than 40% of the total remuneration level (including the value of interests granted) at the time of grant, and the value of the interests granted to other participants such as the core members in management, technology and business shall be determined reasonably by the Board.

The period within which the option may be exercised by the participants under the incentive scheme

No option which may be exercised was granted under the 2021 Restricted Share Incentive Scheme.

Vesting period and lock-up period of restricted shares granted under the incentive scheme

The restricted shares granted under the 2021 Restricted Share Incentive Scheme do not have any vesting period per as they were all vested with the participants at the same time as they were granted. The restricted shares have lock-up period. 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. After the expiry of each of the three unlocking periods, 1/3 of the restricted shares granted under the first grant and the grant of the reserved shares will be unlocked. The restricted shares granted to the incentive recipients under the 2021 Restricted Share Incentive Scheme shall not be transferred, used for guarantee or debt repayment until the sales restrictions are released.

Amount (if any) payable for the acceptance of restricted shares and the term for payment or notification of payment

The amount payable for the acceptance of restricted shares is the grant price multiplied by the number of restricted shares granted. As of 31 December 2024, the total grant price was RMB608,370,003.74 (excluding the 11,710,565 restricted shares that were repurchased and canceled by the Company as of 31 December 2024). The participants of the restricted shares of the first grant remitted the payment into the Company's fund-raising special account before the payment deadline of 28 January 2022, and the participants of the grant of the reserved restricted shares remitted the payment into the Company's fund-raising special account before the payment deadline of 16 November 2022.

Basis of determining the grant price

The grant price of the restricted shares under the first grant shall not be less than the nominal value of the shares, and shall not be lower than 60% of the fair market value. The fair market value shall be the higher of the following prices: 1. the average trading price of the underlying A shares of the Company on the last trading day immediately preceding the date of the relevant announcement of the first grant (the total transaction value for the last trading day/total volume of the shares of the Company traded for the last trading day); or 2. any of the average trading price of the underlying A shares of the Company for the last 20 trading days, 60 trading days and 120 trading days immediately preceding the date of the relevant announcement.

The grant of the restricted shares under the reserved grant is subject to the consideration and passing of related resolutions by the Board and the disclosure of related information. The grant price of the restricted shares under the reserved grant shall not be less than the nominal value of the shares, and shall not be lower than 60% of the fair market value. The fair market value shall be the higher of the following prices: 1. the average trading price of the A shares on the last trading day immediately preceding the date of the announcement of Board resolutions on the reserved grant; 2. any of the average trading price of the A shares for the last 20 trading days, 60 trading days or 120 trading days immediately preceding the date of the announcement of Board resolutions on the reserved grant.

The remaining life of the incentive scheme

The term of the Incentive Scheme commenced from the completion date of registration of the restricted shares under the first grant and will end on the date when all the restricted shares granted to the participants have been unlocked or repurchased and cancelled, the maximum period of which shall not exceed 72 months. Therefore, the validity period of the Incentive Scheme is from 23 February 2022 (the date when the registration of the restricted shares of the first grant was completed) to 30 November 2026 (the date when all reserved restricted shares are unlocked).

5.3 Performance Status of Undertakings

5.3.1 Undertakings made by undertaking parties, including the ultimate controller, shareholders, related parties, acquirers of the company and the company given or subsisting in the reporting period

Undertaking background	Type of undertaking	Undertaking party	Content of the undertaking	Timing and duration of undertaking	Whether there is a deadline for performance	Whether duly complied	If not duly complied, describe the specific reasons	If not duly complied, describe future plans
IPO-related undertakings	Non-competition	CREC	Upon the establishment of China Railway in accordance with the law, CREC and its subsidiaries (other than China Railway) will not in any form, directly or indirectly, engage in or participate in or assist in the engagement or participation in any business that competes, or is likely to compete with the core businesses of China Railway and its subsidiaries. If CREC or its subsidiaries (other than China Railway) become(s) aware of any new business opportunity which directly or indirectly competes, or is likely to compete, with the core businesses of China Railway, it shall notify China Railway in writing of such business opportunity immediately upon becoming aware of it, and undertakes that priority and a preemptive right of first refusal in respect of the business opportunity shall be available to China Railway or its subsidiaries. If CREC or any of its subsidiaries intends to transfer, sell, lease or license or otherwise assign to any third parties or permit them any new business opportunity, assets or interests that it may acquire in future and which may compete or is likely to compete, directly or indirectly, with the core businesses of China Railway, CREC warrants that such business opportunity, assets or interests will first be offered to China Railway or its subsidiaries.	None	No	Yes	/	/
Undertakings related to refinancing	Other undertakings	CREC	If China Railway is subject to administrative penalties or currently under formal investigation due to any undisclosed violation of laws and regulations in respect of the delay in developing acquired land, land speculation, hoarding of properties and driving up of property prices by price-rigging, which cause losses to China Railway and its investors, CREC shall bear the liability for compensation according to the requirements of the relevant laws and administrative regulations and as required by the securities regulatory authorities.	Long term	No	Yes	/	/

- Note 1: For details of the relevant undertakings made by the Company and CREC during the material asset restructuring of China Railway Erju Co., Ltd. (renamed as China Railway Hi-Tech Industry Co., Ltd. in March 2017, stock code: 600528.SH), a subsidiary of the Company, please refer to the Report on the Material Asset Swap and Share Issuance for Asset Acquisition, Fundraising and Related Party Transaction of China Railway Erju Co., Ltd. (Revision) disclosed on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) on 21 September 2016. The Company and CREC are currently duly complying with all the undertakings.*
- Note 2: The Company issued the Letter of CREC on Changing Undertakings on Certain Contingencies on 25 November 2020, pursuant to which, the performance term of the original undertaking in relation to apply for ownership certificates for defective real estate was changed to long-term undertaking. The Letter was considered and approved by the 2020 first extraordinary general meeting of China Railway Hi-tech Industry Corporation Limited (CRHIC) on 25 December 2020. For details, please refer to the Announcement of CRHIC on Changing the Performance Term of Undertakings on Certain Contingencies by the Controlling Shareholder of the Company disclosed at the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) on 8 December 2020. The Company is currently duly complying with the relevant undertaking.*
- Note 3: For details of the relevant undertakings made by the Company and CREC during the share issuance for asset acquisition, please refer to the Report on the Share Issuance for Asset Acquisition of China Railway Group Limited (Revision) published on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) on 31 May 2019. The Company and CREC are currently duly complying with all the undertakings.*
- Note 4: In the course of acquiring the control over China Railway Prefabricated Construction, the Company and CREC issued the Letter of Undertaking to Avoid Horizontal Competition with Beijing Hengtong Innovation Luxwood Technology Co., Ltd., Letter of Undertaking to Regulate Related Party Transactions with Beijing Hengtong Innovation Luxwood Technology Co., Ltd., and Letter of Undertaking to Safeguard the Independence of Beijing Hengtong Innovation Luxwood Technology Co., Ltd. Respectively. The above undertakings are continuously effective during the period in which the Company has control over Beijing Hengtong Innovation Luxwood Technology Co., Ltd. The Company and CREC are currently duly complying with the undertakings.*
- Note 5: In the course of spinning off CRHEEC to go listing on the STAR Market, the Company and CREC issued the Letter of Undertaking to Avoid Horizontal Competition, Letter of Undertaking to Reduce and Regulate Related Party Transactions, Letter of Undertaking to Make up for Diluted Immediate Returns, and other letters of undertakings. For details, please refer to the Plan for China Railway Group Limited on the Spin-off of Its Subsidiary China Railway High-speed Electrification Equipment Corporation Limited to Go Listing on the STAR Market (Revision) disclosed on the website of the Shanghai Stock Exchange on 30 September 2020. The Company and CREC are currently duly complying with all the undertakings.*

5.3.2 If the Company has made a profit forecast to its assets or projects, and the profit estimate period is within the reporting period, the Company's explanation on whether its assets or projects would meet its profit forecast and the reasons thereof

Not applicable

5.3.3 Fulfillment of undertakings and its impact on goodwill impairment test

Not applicable

5.4 Non-operating Appropriation of Funds by the Controlling Shareholder and Other Related Parties during the Reporting Period

Not applicable

5.5 Illegal Guarantee

Not applicable

5.6 Explanation of the Company on the "Modified Audit Report" from Auditors

Not applicable

5.7 Analysis and Explanation of the Company on the Reasons for and Impacts of the Changes in Accounting Policies or Accounting Estimates or Correction of Material Accounting Errors

5.7.1 Analysis and explanation of the Company on the reasons for and impacts of the changes in accounting policies or accounting estimates

Details of the changes in accounting policies are set out in note 2 to the financial statements on page 116 to page 118 of this announcement.

5.7.2 Analysis and explanation of the Company on the reasons for and impacts of the correction of material accounting errors

Not applicable

5.7.3 Communications with former auditors

Not applicable

5.7.4 Others

Not applicable

5.8 Appointment and Removal of Auditors

Unit: '0,000 Currency: RMB

	Prior engagement	Current engagement
Name of domestic accounting firm	PricewaterhouseCoopers Zhong Tian LLP	Deloitte Touche Tohmatsu Certified Public Accountants LLP
Remuneration of domestic accounting firm	3,310	2,180
Term of domestic accounting firm	7 years	1 year
Names of the certified public accountants of the domestic accounting firm	/	Ma Yanmei Yin Lili
The continuous period providing audit services by the certified public accountants of the domestic accounting firm	/	Ma Yanmei (1 year) Yin Lili (1 year)
Name of international accounting firm	PricewaterhouseCoopers	Deloitte Touche Tohmatsu
Remuneration of international accounting firm	220	160
Term of international accounting firm	7 years	1 year

	Name	Remuneration
Accounting firm for internal control audit	Deloitte Touche Tohmatsu Certified Public Accountants LLP	160
Financial advisor	/	/
Sponsor	/	/

Explanation on the appointment and removal of auditors

Resolution on the Appointment of Auditors for the Financial Statements and Internal Control of China Railway Group Limited for 2024 was considered and passed at the 40th meeting of the fifth session of the Board of Directors of the Company held on 24 May 2024. For details of the appointment of auditors, please see the Announcement of China Railway Group Limited on the Change of Auditors published on the website of the Shanghai Stock Exchange on 25 May 2024. These resolutions were then considered and passed at the 2023 annual general meeting of the Company on 28 June 2024. The Company has engaged Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu as the auditors of the Company for 2024 and engaged Deloitte Touche Tohmatsu Certified Public Accountants LLP as the internal control auditor for 2024. For details, please refer to the Announcement of China Railway Group Limited on Resolutions of Annual General Meeting of 2023 disclosed by the Company on the website of the Shanghai Stock Exchange on 29 June 2024.

Explanation on the decrease in audit fees by more than 20% (including 20%) over the last year

The audit service fees of the Company in 2024 are determined according to the audit workload and the principle of fairness and reasonableness and through invitation bidding. In 2024, the audit and interim review fees of domestic and international financial statements were RMB23.40 million (tax inclusive), and the audit fee of internal control was RMB1.60 million (tax inclusive), totaling RMB25.00 million (tax inclusive). The audit fees of financial statements and internal control both decreased as compared with 2023. The main reason for the decrease in the audit and interim review fees of financial statements for the year 2024 as compared with that for the year 2023 is as follows: the audit fees of financial statements for the year 2024 only include the audit fee of the Company but exclude the audit fees of financial statements of subsidiaries due to the adjustment of the scope of audit services and therefore such fees decreased as compared with 2023.

5.9 Risk of Suspension of Listing

5.9.1 Reason for suspension of listing

Not applicable

5.9.2 Response measures to be adopted by the company

Not applicable

5.9.3 Delisting and the reasons thereof

Not applicable

5.10 Matters Relating to Insolvency or Restructuring

Not applicable

5.11 Material Litigation and Arbitration

The Company had no material litigation or arbitration during the year.

5.12 Penalty and Rectification Order against the Company and its Directors, Supervisors, Senior Management, Controlling Shareholders, Ultimate Controller and Acquirer

Not applicable

5.13 Integrity of the Company and its Controlling Shareholders and Ultimate Controllers during the Reporting Period

During the reporting period, the Company and its controlling shareholder and ultimate controller operated legally by strictly following the provisions of the laws and regulations and normative documents, such as the Company Law and the Securities Law, and duly fulfilled all the undertakings without committing any default.

5.14 Significant Related Party Transactions

5.14.1 Related party transactions in ordinary course of business

(1) *Matters which were disclosed in announcement without subsequent progress or changes*

Not applicable

(2) *Matters which were disclosed in announcement with subsequent progress or changes*

Not applicable

(3) *Matters undisclosed in announcement*

Unit: '000 Currency: RMB

Related party	Related relationship	Type of related party transaction	Particulars of related party transaction	Pricing method of related party transaction	Price of related party transaction	Amount of related party transaction	Percentage of transaction value to the same type of transactions (%)
China Railway State Assets Management Co., Ltd.	Wholly-owned subsidiary of parent company	Receipt of labor services	Lease of office premises, etc.	Contract price	24,434	24,434	Less than 1%
China Railway State Assets Management Co., Ltd.	Wholly-owned subsidiary of parent company	Receipt of labor services	Receipt of comprehensive services	Contract price	56,025	56,025	Less than 1%
Total					80,459	80,459	

Description of related party transactions

The above two transactions resulted from the implementation during the reporting period of the Premises Leasing Agreement and Comprehensive Services Agreement renewed by the Company and CREC on 30 December 2021. The terms of both agreements are three years. The total transaction amount involved was within the decision-making authority of the Board and was considered and approved at the 18th meeting of the fourth session of the Board, which complied with the relevant requirements of The Rules Governing the Listing of Stock on Shanghai Stock Exchange. Meanwhile, the Premises Leasing Agreement and the Comprehensive Services Agreement were exempted from the requirements of reporting, annual review, announcement and independent shareholders' approval as the annual caps of such transactions were within the de minimis exemption under the Hong Kong Listing Rules.

5.14.2 Related party transactions in relation to acquisition and disposal of assets

- (1) *Matters which were disclosed in announcement without subsequent progress or changes*

Not applicable

- (2) *Matters which were disclosed in announcement with subsequent progress or changes*

Not applicable

- (3) *Matters undisclosed in announcement*

Not applicable

- (4) *If agreement upon performance is involved, the performance achievements during the reporting period shall be disclosed*

Not applicable

5.14.3 Significant related party transactions in relation to joint external investment

- (1) *Matters which were disclosed in announcement without subsequent progress or changes*

Not applicable

- (2) *Matters which were disclosed in announcement with subsequent progress or changes*

Not applicable

- (3) *Matters undisclosed in announcement*

Not applicable

5.14.4 Amounts due from/to related parties

- (1) *Matters which were disclosed in announcement without subsequent progress or changes*

Not applicable

- (2) *Matters which were disclosed in announcement with subsequent progress or changes*

Not applicable

- (3) *Matters undisclosed in announcement*

Not applicable

5.14.5 The financial business between the company and its related financial company, and between the financial company held by the company and its related parties

China Railway Finance Co., Ltd. provides financial services to the Company's controlling shareholder, CREC and its subsidiaries, which enables the Company to use part of its financing funds to improve the efficiency of capital utilization and increase the benefits through the net interest and service fees earned by China Railway Finance Co., Ltd. The Proposal on the Related Party Transactions of Financial Services Framework Agreement between China Railway Finance Co., Ltd. and China Railway Engineering Group Co., Ltd. was considered and adopted at the 12th meeting of the fifth session of the Board convened by the Company on 22 December 2021, in which it was agreed that China Railway Finance Co., Ltd., a majority-owned subsidiary of the Company, would renew the Financial Services Framework Agreement (the agreement expired on 31 December 2024) with CREC, the controlling shareholder of the Company, and provide deposits, loans and other financial services to CREC and its subsidiaries pursuant to the agreement. For details, please refer to the relevant announcement of the Company dated 31 December 2021 disclosed on the website of the Shanghai Stock Exchange. During the reporting period, the daily deposit balance (including interest accrued) of CREC and its subsidiaries with China Railway Finance Co., Ltd. did not exceed the maximum amount stipulated in the Financial Services Framework Agreement; the maximum daily loan balance (including interest accrued) obtained by CREC and its subsidiaries from China Railway Finance Co., Ltd. did not exceed the maximum amount stipulated in the Financial Services Framework Agreement; and the service fee collected by China Railway Finance Co., Ltd. from CREC and its subsidiaries for other financial services did not exceed the maximum amount stipulated in the Financial Services Framework Agreement.

(1) *Deposit business*

Unit: '000 Currency: RMB

Related party	Related relationship	Maximum daily deposit limit	Range of deposit interest rate	Amount for the current period			Closing balance
				Opening balance	Total deposits for the current period	Total withdrawals for the current period	
CREC	Parent company		1.265%	613,862	8,304,624	8,754,027	164,459
China Railway State Assets Management Co., Ltd.	Wholly-owned subsidiaries of the parent company	20,000,000	1.265%	20,217	2,699,319	2,675,409	44,127
Party school of China Railway Engineering Group Co., Ltd.	Wholly-owned subsidiaries of the parent company		1.265%	14,511	471,030	459,901	25,640
Total				<u>648,590</u>	<u>11,474,973</u>	<u>11,889,337</u>	<u>234,226</u>

(2) *Loan business*

Unit: '000 Currency: RMB

Related party	Related relationship	Line of credit	Range of loan interest rate	Amount for the current period			Closing balance
				Opening balance	Total loans for the current period	Total repayments for the current period	
CREC	Parent company	3,500,000	2.35%-2.60%	<u>0</u>	<u>2,100,000</u>	<u>0</u>	<u>2,100,000</u>

(3) *Credit business or other financial business*

Unit: '000 Currency: RMB

Related party	Related relationship	Business type	Total	Amount incurred
CREC	Parent company	Comprehensive credit granting	<u>3,500,000</u>	<u>2,100,000</u>

(4) *Others*

Unit: '000 Currency: RMB

Item	Related party	Amount for the current period	Amount of the corresponding period last year
Interest income	CREC	14,755	12,478
Interest expense	CREC	13,681	23,614
Interest expense	China Railway State Assets Management Co., Ltd.	422	595
Interest expense	Party school of China Railway Engineering Group Co., Ltd.	674	259

Note: The interest income represents the interest receivable by China Railway Finance Co., Ltd., a major-owned subsidiary of the Company, from CREC for the loans to CREC. The interest expenses represent the interest payable by China Railway Finance Co., Ltd. to CREC and China Railway State Assets Management Co., Ltd. and party school of China Railway Engineering Group Co., Ltd. for deposit-taking.

5.14.6 Others

Related party guarantees

Unit: '000 Currency: RMB

Guarantor	Secured party	Guarantee amount	Commencement date of guarantee	Expiry date of guarantee	Whether the guarantee has been fulfilled
CREC	China Railway	3,500,000	October 2010	April 2026	No

Note: These guarantees are unconditional and irrevocable joint and several liability guarantees provided by CREC for the entire amount of the 15-year 2010 Corporate Bonds (Tranche 2) issued by the Company in October 2010. In accordance with the agreement on the guarantee period in the “Prospectus for Public Offering of Corporate Bonds” of the Company, the guarantor shall assume the guarantee liability during the period from the first day of issuance of the bonds to six months after the maturity date of the bonds. As of 31 December 2024, the guarantee liability undertaken by CREC as the guarantor of the 15-year 2010 Corporate Bonds (Tranche 2) of the Company has not expired. As at 31 December 2024, the remaining payable amount of the above-mentioned bonds was RMB3,529,629 thousand (31 December 2023: RMB3,527,937 thousand).

5.15 Material Contracts and Their Performance

5.15.1 Trusteeship, contracting and leasing

(1) *Trusteeship*

Not applicable

(2) *Contracting*

Not applicable

(3) *Leasing*

Not applicable

5.15.2 Guarantees

Unit: '0,000 Currency: RMB

Guarantor	Relationship between guarantor and the listed company	Secured party	Guarantee amount	Commencement date of guarantee (date of the agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Main debt condition	Collateral (if any)	Whether the guarantee has been fulfilled	Overdue amount available	Counter guarantee provided to related party	Whether the guarantee is provided to related party	Relationship
China Railway No. 4 Engineering Group Co., Ltd.	Wholly-owned subsidiary	Xuzhou Yingbin Expressway Construction Co., Ltd.	119,000.00	22 October 2018	30 October 2018	29 October 2028	Joint and several liability guarantee	Normal performance	Equity pledge	No	/ None	No	No	/
China Railway No. 5 Engineering Group Co., Ltd.	Wholly-owned subsidiary	Qinghai Minmetals China Railway Expressway Construction Management Co., Ltd.	14,850.00	14 January 2020	14 January 2020	30 December 2045	Joint and several liability guarantee	Normal performance	Equity pledge	No	/ None	No	No	/
China Railway No. 5 Engineering Group Co., Ltd.	Wholly-owned subsidiary	Jiangxi Chengke Yunchuang Real Estate Co., Ltd.	2,885.66	22 September 2021	22 September 2021	21 September 2029	Joint and several liability guarantee	Normal performance	No	No	/ None	No	No	/
China Railway No. 10 Engineering Group Co., Ltd.	Wholly-owned subsidiary	Chongqing CREC Renzhi Pension Industry Co., Ltd.	50,000.00	12 January 2017	12 January 2017	28 February 2025	Joint and several liability guarantee	Normal performance	No	No	/ None	No	No	/
China Railway Major Bridge Engineering Group Co., Ltd.	Wholly-owned subsidiary	Wuhan Yangsigang Bridge Co., Ltd.	55,320.76	30 May 2016	30 May 2016	30 December 2025	Joint and several liability guarantee	Normal performance	No	No	/ None	No	No	/

Guarantor	Relationship between guarantor and the listed company	Secured party	Guarantee amount	Commencement date of guarantee (date of the agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Main debt condition	Collateral (if any)	Whether the guarantee has been fulfilled	Overdue amount	Counter guarantee available	Whether the guarantee is provided to related party	Related relationship
China Railway Major Bridge Engineering Group Co., Ltd.	Wholly-owned subsidiary	Shantou Niutianyang Expressway Investment Development Co., Ltd.	8,745.71	14 November 2019	14 November 2019	23 August 2039	Joint and several liability guarantee	Normal performance	Equity pledge	No	/	None	No	/
China Railway Shanghai Engineering Group Co., Ltd.	Wholly-owned subsidiary	Fangchenggang China Railway Diluyuan Investment Development Co., Ltd.	500.00	8 May 2019	8 May 2019	31 December 2030	Joint and several liability guarantee	Normal performance	Equity pledge	No	/	None	No	/
China Railway International Group Co., Ltd.	Wholly-owned subsidiary	MontagProp Proprietary Limited	6,126.00	3 July 2015	3 July 2015	30 June 2025	Joint and several liability guarantee	Normal performance	No	No	/	None	No	/
China Railway South Investment Group Co., Ltd.	Wholly-owned subsidiary	Shantou Niutianyang Expressway Investment Development Co., Ltd.	392,682.82	14 November 2019	14 November 2019	23 August 2039	Joint and several liability guarantee	Normal performance	Equity pledge	No	/	None	No	/

Total amount of guarantees incurred during the reporting period (excluding the guarantees provided to subsidiaries)	-16,549.40
Total balance of guarantee as at the end of the reporting period (A) (excluding the guarantees provided for subsidiaries)	650,110.95
Guarantees provided by the Company and its subsidiaries to its subsidiaries	
Total amount of guarantees provided to subsidiaries during the reporting period	-5,108,656.34
Total balance of guarantee provided to subsidiaries as at the end of the reporting period (B)	9,675,217.63
Total amount of guarantees (A+B)	10,325,328.58
Total guaranteed amount as a percentage of net assets of the Company (%)	20.24
Of which:	
Amount of guarantees provided to shareholders, de facto controller and their related parties (C)	0
Amount of debt guarantees directly or indirectly provided to the secured parties with the gearing ratio exceeding 70% (D)	8,651,700.73
Excess amount of aggregate guarantee over 50% of net assets (E)	0
Total amount of the above three types of guarantees (C+D+E)	8,651,700.73
Statement on the contingent joint and several liability in connection with unexpired guarantee	Not applicable
Explanations on guarantees	<ol style="list-style-type: none"> 1. The aggregate guarantee included the commitment to make up the difference of RMB49,469.7461 million provided to its subsidiaries; 2. As of 31 December 2024, the aggregate guarantee of China Railway Group Limited (consolidated) in relation to real estate mortgage was RMB27,640.7380 million.

5.15.3 Management of cash assets entrusted to third parties

(1) Entrusted wealth management

(i) Overview of entrusted wealth management

Not applicable

(ii) Breakdown of entrusted wealth management

Not applicable

(iii) Provision for impairment of entrusted wealth management

Not applicable

(2) Entrusted loans

(i) Overview of entrusted loans

Unit: '0,000 Currency: RMB

Type	Source of funds	Amount incurred	Unexpired balance	Overdue outstanding amount
Entrusted loans	Self-owned funds	<u>46,582.35</u>	<u>377,935.30</u>	<u>0.00</u>

(ii) Breakdown of entrusted loans

Unit: 0'000 Currency: RMB

Trustee	Type of entrusted loan	Entrusted loan amount	Commencement date	Termination date	Source of funds	Target of funds	Determination of returns	Annualized yield rate (%)	Expected gains (if any)	Actual gain or loss for the year	Actual recovery for the year	Going through legal procedures or not	Whether there will be any entrusted loan plan in the future	Amount of impairment provision (if any)
Beijingxi Railway Station Branch, ICBC	Entrusted loan	124,000.00	1 April 2021	30 December 2041	Self-owned funds	Inner Mongolia Jitong Railway (Group) Co., Ltd.	By agreement	2.35	60,526.91	0.00	0.00	Yes	No	4,158.49
China Railway Finance Co., Ltd.	Entrusted loan	0.00	8 March 2021	7 March 2024	Self-owned funds	Payment of principal and interest by Dianjiang-Zhongxian Expressway	By agreement	4.79	0.00	262.62	27,200.00	Yes	No	0.00
China Railway Finance Co., Ltd.	Entrusted loan	4,323.53	9 March 2023	8 March 2026	Self-owned funds	Payment of principal and interest by Cenxi- and interest by Cangwu Expressway	By agreement	4.75	811.95	327.92	2,882.35	Yes	No	214.35
China Railway Finance Co., Ltd.	Entrusted loan	0.00	9 March 2023	8 January 2024	Self-owned funds	Payment of principal and interest by Yulin-Shenmu Expressway	By agreement	4.75	0.00	36.97	16,500.00	Yes	No	0.00
China Railway Finance Co., Ltd.	Entrusted loan	20,849.02	9 March 2023	8 March 2026	Self-owned funds	Payment of principal and interest by Pingyu-Zhengyang Expressway	By agreement	4.75	2,802.82	949.84	0.00	Yes	No	691.26
China Railway Finance Co., Ltd.	Entrusted loan	64,372.55	9 March 2023	8 March 2026	Self-owned funds	Payment of principal and interest by Mianyang-Suining Expressway	By agreement	4.75	8,653.86	2,932.70	0.00	Yes	No	3,191.49
China Railway Finance Co., Ltd.	Entrusted loan	19,350.00	9 March 2023	8 March 2026	Self-owned funds	Payment by Guangxi Expressway for the acquisition of Yulin-Shenmu Expressway	By agreement	4.75	2,601.30	881.55	0.00	Yes	No	727.61
China Railway Finance Co., Ltd.	Entrusted loan	145,040.20	9 March 2023	8 March 2026	Self-owned funds	Gap of capital dividends from Guangxi Expressway	By agreement	5.23	21,448.16	7,268.55	0.00	Yes	No	5,453.88

(iii) Provision of impairment of entrusted loans

Not applicable

5.16 Description of Other Significant Matters That Have a Significant Impact on the Value Judgments and Investment Decisions Made by Investors

5.16.1 Material contracts signed during the reporting period

(1) Engineering construction business

No.	Signatory	Name of contract	Date of winning the bidding/contract signing date	Contract sum (RMB'0,000)	Construction period
Railways					
1	China Railway No. 1 Engineering, China Railway No. 2 Engineering, China Railway No. 9 Engineering, China Railway No. 10 Engineering, China Railway Major Bridge Engineering, China Railway Shanghai Engineering	Sections YYZQ-03SG, YYZQ-04SG, YYZQ-08SG, YYZQ-09SG, YYZQ-10SG and YYZQ-11SG for the construction of the civil engineering and auxiliary projects of the Yancheng-Taizhou-Wuxi- Changzhou-Yixing Railway	December 2024	2,027,495	2,007 calendar days
2	China Railway No. 2 Engineering, China Railway No. 5 Engineering, China Railway No. 7 Engineering, China Railway Guangzhou Engineering, China Railway Beijing Engineering	General contracting of sections TYZQ- 5, TYZQ-6, TYZQ-9, TYZQ-10 and TYZQ-11 for the construction of the civil engineering and auxiliary projects and the relevant project (excluding sections previously commenced) of the newly built Nantong – Ningbo High-speed Railway	July 2024	1,606,686	1,267 calendar days
3	China Railway No. 1 Engineering, China Railway No. 3 Engineering, China Railway No. 5 Engineering, China Railway Major Bridge Engineering	Sections 2, 4, 6 and 8 for the construction of the civil engineering and auxiliary projects of the newly built Yichang-Fuling High-speed Railway	December 2024	1,023,951	2,191 calendar days

No.	Signatory	Name of contract	Date of winning the bidding/ contract signing date	Contract sum (RMB'0,000)	Construction period
Highway					
1	China Railway No. 1 Engineering, China Railway No. 2 Engineering, China Railway No. 7 Engineering, China Railway No. 9 Engineering, China Railway Tunnel, China Railway Construction, China Railway Guangzhou Engineering, China Railway Shanghai Engineering, China Southern Railway Construction Investment	Sections TJ01, TJ02, TJ03 and TJ04 for the civil construction of Nanhai- Xinhui Expressway Project	December 2024	725,463	1,095 calendar days
2	China Railway No. 4 Engineering	Contracting section No. 3 of main works construction of the reconstruction and expansion project of He'ao-Shenzhen Airport Section of Shenyang – Haikou National Expressway	July 2024	275,951	54 months
3	China Railway Major Bridge Engineering	Section HNQL-4 for the construction of the main bridge of Hannan Yangtze River Bridge and connection project Yangtze River Bridge of Wuhan Metropolitan Ring Expressway	July 2024	218,380	1,248 calendar days

No.	Signatory	Name of contract	Date of winning the bidding/contract signing date	Contract sum (RMB'0,000)	Construction period
Municipal works					
1	China Railway Investment, China Railway No. 1 Engineering, China Railway No. 2 Engineering, China Railway No. 4 Engineering, China Railway No. 6 Engineering, China Railway No. 9 Engineering, China Railway Electrification Engineering, China Railway Eryuan Engineering, China Railway Consulting and other parties	General contracting of Shenyang Wangjiawan Ice Sports Center Project	November 2024	450,008	1,079 calendar days
2	China Railway No. 4 Engineering, China Railway Tunnel	Construction of Hexian side of the Ma'anshan Hubei Road River Cross Tunnel Project	December 2024	433,921	1,620 calendar days
3	China Railway Tunnel, China Railway South Investment	Construction of section 1 of the Shenzhen Luosha Road Reconstruction and Expansion Project	December 2024	243,649	2,189 calendar days
Urban rails					
1	China Railway Group, China Railway (Guangzhou) Investment, China Railway No. 2 Engineering, China Railway Major Bridge Engineering, China Railway Tunnel	General contracting of section GHGT-1 for the construction of Baiyun Airport T3-Jiangcun West Section of Guangzhou-Heyuan High-speed Railway	January 2024	311,859	60 months
2	China Railway No. 6 Engineering, China Railway Tunnel	Section 01 and 05 of the civil construction of Changzhou Urban Rail Transit Line 5 Project	August 2024 November, 2024	267,071	1,462 calendar days 1,573 calendar days
3	China Railway No. 5 Engineering, China Railway Electrification Engineering	Equipment System Integration Project of Shenyang Metro Line 6 Phase I Project	December 2024	243,768	729 calendar days

(2) *Design and consulting business*

No.	Signatory	Name of contract	Contract signing date	Contract sum (RMB'0,000)	Construction period
1	China Railway Consulting	Survey and design of railway construction project of Wuping-Meizhou section (Guangdong section) of the newly built Longyan-Longchuan Railway	October 2024	23,780	Until completion and acceptance
2	China Railway Consulting	Survey and design of Hubei section (Yichang-Wufeng) of the newly built Yichang-Fuling High-speed Railway	December 2024	22,700	Until completion and acceptance
3	China Railway Consulting and other parties	Comprehensive transportation hub project of civil engineering and auxiliary projects of Suzhou North Station of the newly built Nantong-Ningbo High-speed Railway	December 2024	17,164	Until completion and acceptance

(3) *Equipment manufacturing business*

No.	Signatory	Name of contract	Contract signing date	Contract sum (RMB'0,000)	Construction period (months)
Steel structures					
1	China Railway Baoji Bridge	Section G3 for bridge steel structure manufacturing and transportation of the Third East Passage Project of Xiamen	December 2024	127,454	26 months
2	China Railway Jiujiang Bridge Engineering	Contracting for section G1 construction of bridge steel structure manufacturing and transportation of the Third East Passage Project of Xiamen	December 2024	124,643	26 months
3	China Railway Baoji Bridge	Section GXL01 for steel box girder of Liuheng Highway Bridge Phase II Project at Zhoushan Port in Ningbo, Zhejiang Province	July 2024	60,504	283 calendar days

No.	Signatory	Name of contract	Contract signing date	Contract sum (RMB'0,000)	Construction period (months)
Turnout					
1	China Railway Baoji Bridge	Turnout project of the newly built Shenyang-Baihe High-speed Railway	February 2024	19,889	From March 2024 to the completion of the project
2	China Railway Baoji Bridge	Material Supply Agreement of XRPDLS for the newly built Xi'an-Ankang High-speed Railway and newly built Xi'an-Shiyan High-speed Railway (Shaanxi section) (expressway turnout and accessories)	July 2024	19,538	From August 2024 to the completion of the project
3	China Railway Baoji Bridge	Assembly frog procurement project contract	June 2024	9,735	Actual supply is subject to the material requirement plan of construction units
Engineering machinery (including track equipment and shields)					
1	China Railway Engineering Equipment	Procurement contract of Tunnel Boring Machine (TBM) equipment for river diversion project from Jingjiang River to Hanjiang River by Sinohydro Bureau 8 (水電八局) under POWERCHINA (中國電建)	March 2024	21,881	As required by Party A
2	China Railway Engineering Equipment	Procurement contract of single shield TBM for civil construction of river diversion project from Jingjiang River to Hanjiang River and section 6 of hydropower electromechanical installation project	March 2024	20,845	As required by Party A
3	China Railway Engineering Equipment	Sale and purchase contract for composite dual-channel slurry balance shield machine (model CTS11550E-3500)	July 2024	14,900	As required by Party A

(4) *Property development business*

No.	Project name	Project location	Project type	Planned area (0'000 square meters)
1	Development project of joint property housing built on Guangzhou Dalang Train Servicing Subdivision	Guangzhou	Secondary development	34.36
2	Gumei North Community Project in Qibao Town, Minhang District, Shanghai	Shanghai	Secondary development	6.30
3	Yanming Lake Real Estate Project in Qujiang East, Xi'an	Xi'an	Secondary development	28.4

(5) *Assets operation business*

(i) *Material infrastructure investment projects signed during the reporting period*

No.	Name of contract	Signatory	Contract sum (RMB '00 million)	Shareholding of the project company	Construction period (years)	Concession period (years)	Signing date
1	Zhongchuan to Heqiao section of G341 Huangdao-Haiyan Highway and Heqiao to Haishiwan section of S01 Lanzhou Economic Circle Ring Expressway project	China Railway City Investment and Development Group	167.69	China Railway holding 90%, Gansu Wuhuan holding 7%, Hualong Transportation holding 2.9%, CCCC Highway Consultants holding 0.02%, and CCCC First Highway Consultants holding 0.08%	4.5	35	November 2024
2	Huitong (Hunan-Guizhou boundary) to Tianzhu section of Dongkou-Sansui National Expressway and Zhexiang to Hongshui River (Guizhou-Guangxi boundary) section of Guizhou Luodian-Wangmo Expressway project	China Railway Yunnan Construction Investment	91.59	China Railway holding 58.91%, Guizhou Transportation Planning Survey & Design Academe holding 0.05%, and Guizhou Expressway holding 41.04%	3	40	December 2024
3	Qagaanders-Bayanhaote Railway project	China Railway No. 3 Engineering	72.65	Alxa League Transportation Investment holding 10%, China Railway No. 3 Engineering holding 54.8%, China Railway Consulting holding 0.1%, China Railway First Institute holding 0.1%, and Mengcheng No. 1 holding 35%	2	40	November 2024

(ii) Material infrastructure investment projects operated during the reporting period

No.	Name of contract	Signatory	Contract sum (RMB '00 million)	Signing date	Operation period (years)	Time of entering the operation period
1	PPP project of Dalian Metro Line 5	China Railway Group Limited and other parties	182.7	March 2017	19.5	March 2023
2	PPP project of Phase I Urban Metro Line 1 of Hohhot City	China Railway Group Limited and other parties	146.79	September 2016	25	December 2019
3	PPP project of the Beijing-Xiongan Expressway (Beijing section)	China Railway Group Limited and other parties	122.1	January 2021	25	December 2023

(6) Emerging business

No.	Signatory	Project name	Contract signing date	Contract sum (RMB'0,000)	Construction period
1	China Southern Railway Construction Investment	Offshore Wind Power Demonstration Project at East Guangdong Offshore Deepwater Site 3	October 2024	571,547	As required by Party A
2	China Railway Construction, China Railway Beijing Engineering	General contracting for the construction of Terminal 2 (south section) of Kunming Changshui International Airport Reconstruction and Expansion Project	May 2024	330,644	As required by Party A
3	Tiegong Investment, China Railway No. 5 Engineering	Huatanzi Reservoir Project in Tongren City, Guizhou Province	July 2024	321,682	As required by Party A

5.16.2 Strategic framework agreements signed during the reporting period

No.	Signing date	Name of agreement	Investment amount agreed (if any)	Main contents of the Agreement
1	May 2024	Strategic cooperation framework agreement between Xinxing Cathay International Group Co., Ltd. and China Railway Group Limited	—	Both parties will carry out strategic cooperation in various fields, such as infrastructure construction, new energy and new energy storage, emergency rescue, modern supply chain logistics, scientific and technological innovation, asset operation management, personal protection products and service cooperation.
2	May 2024	Strategic cooperation framework agreement between the Harbin Municipal People's Government and China Railway Group Limited	—	Both parties will carry out strategic cooperation in various fields, such as major infrastructure, urban village reconstruction, urban renewal and urban operation, urban rail transit, food security strategy and cultural tourism, water and environmental protection and new energy.
3	June 2024	Strategic cooperation agreement between the People's Government of Changshou District, Chongqing and China Railway Group Limited	—	Both parties will carry out strategic cooperation in various fields, such as urban renewal, highway construction, cultural tourism and health care and educational infrastructure.
4	July 2024	Business Cooperation Agreement between China Southern Power Grid Company Limited and China Railway Group Limited	—	Both parties will carry out strategic cooperation in various fields, such as pumped storage power plant construction, industrial infrastructure, green energy applications and technological innovation.

5.16.3 Particulars of material properties

(1) Property held for development

Unit: 0'000 square meters

Name of building or project	Address	Current land use	Land area	Floor area	State of completion	Expected completion date	Interests of the Company and its subsidiaries
Jinan China Railway City	South of Jingshi East Road, north of Guangfu Avenue and west of Panlong Road, Licheng District, Jinan City, Shandong Province	Commercial housing land, commercial land	58.81	106.58	Under construction	2030	100%
Nuode Yijing Community	Huangcun Town, Daxing District, Beijing	Public service facilities, underground garage, underground storage, residential, commercial	4.64	19.79	Under construction	2025	65%
Yuelong Garden	North of Jiangfu Road and west of Guanghua Road, Jianggao Town, Baiyun District, Guangzhou City, Guangdong Province	Urban residential land	11.70	35.00	Under construction	2025	100%
Changchun Northeast Asia International Expo Center	No. 6888 Yongchun Street, Yongchun Town, Chaoyang District, Changchun City, Jilin Province	Urban residential land, other land for commercial and service use, land for cultural facilities	232.63	447.16	Under construction	2032	99%
Yuezhen Mansion	No. 151 Luotian Road, Haibin Community, Xin'an Subdistrict, Bao'an District, Shenzhen City, Guangdong Province	Ordinary residential and shops	1.52	11.19	Under construction	2025	51%

(2) *Property held for investment*

Unit: 0'000 square meters

Name	Location	Use	Tenure	Interests of the Company and its subsidiaries
China Railway Headquarters Base (Shunyi) Park	Courtyard No. 2, Zhengyuan Street, Shunyi District, Beijing	Commercial	July 2061	100%
Beijing Nuode Center Phase III	Courtyards No. 1 and No. 4, Yuren South Road, Fengtai District, Beijing	Commercial	November 2064	100%
Tianjin Nuode Center Phase II	No. 50 Lvwei Road, Hebei District, Tianjin City	Commercial	January 2054	100%
Shops on 1-8/F, Zone E1, Guiyang Huaguoyuan	Buildings 1 and 2, Block E1, Pengjiawan dilapidated Housing and Shantytown Reconstruction Project, Huaguoyuan, Guiyang	Commercial	April 2052	100%
Financial City Plaza	Lot AT090904, Qibu Area, Financial City, Huangpu Avenue, Tianhe District, Guangzhou City, Guangdong Province	Commercial	December 2068	100%

5.17 Environmental Information

Whether environmental protection related mechanisms is established	Yes
Funds invested in environmental protection during the reporting period (RMB ten-thousand)	365,145

5.17.1 Description of environmental protection efforts of the highly polluting companies and their subsidiaries as announced by the environmental protection authorities

Not applicable

5.17.2 Description of environmental protection efforts of companies other than highly polluting companies

(1) Administrative penalties due to environmental issues

In 2024, certain projects under the Company’s subsidiaries were subject to administrative penalties by local environmental protection regulatory authorities in the course of construction due to dust, sewage discharge and land use violations. The total penalty was approximately RMB2.685 million, involving 5 engineering projects. At present, all the penalties have been rectified and accepted by local regulatory authorities. The Company will further strengthen ecological environmental protection work, and strengthen the control over the risk sources and emissions of ecological and environmental pollution during production through identifying and evaluating environmental factors of the construction in progress and working place, to effectively protect and improve the living and ecological environment.

(2) Disclosure of other environmental information with reference to highly polluting companies

Not applicable

(3) Reasons for not disclosing other environmental information

Not applicable

5.17.3 Information on ecological protection, pollution prevention and fulfilment of environmental responsibilities

Energy/resource type	Indicators	Year-on-year increase or decrease		2023
		2024		
Direct energy consumption	Gasoline (ten-thousand tons)	50.2	-6.2%	53.5
	Gasoline (ton/RMB ten-thousand)	0.0045	0	0.0045
	Diesel (ten-thousand tons)	158.5	-10.3	176.66
	Diesel (ton/RMB ten-thousand)	0.01431	0.7%	0.01420
	Natural gas (ten-thousand standard m ³)	3,450	-5.5	3,650
	Natural gas (m ³ /RMB ten-thousand)	0.58	5.4%	0.55
Indirect energy consumption	Electricity (ten-thousand kwh)	1,019,900	-9.8%	1,130,796
	Electricity (ten-thousand kwh/RMB ten-thousand)	0.01	0	0.01
Comprehensive energy consumption	Comprehensive energy consumption (ten-thousand tons of standard coal)	456.3704	-10.09	507.557
	Comprehensive energy consumption (tons of standard coal/RMB ten-thousand income)	0.0401	-3.4%	0.0415
	Comprehensive energy consumption (ten-thousand kwh)	3,610,875	-12.5%	4,129,874
	Comprehensive energy consumption (kwh/RMB ten-thousand income)	330	-0.06%	332
Water	Total new water consumption (ten-thousand tons)	42,015.75	-7.89	45,615.65

5.17.4 Measures taken to reduce carbon emissions during the reporting period and their effects

Whether to adopt carbon reduction measures	Yes
Reduction in CO ₂ equivalent emissions (unit: ton)	1,709,889
Types of carbon reduction measures (e.g. using clean energy to generate electricity, using carbon reduction technologies in production, researching and developing new products that can help reduce carbon, etc.)	Strengthening the research and development of energy-saving and low-carbon technologies, increasing the use of clean energy, and promoting the low-carbon transformation of the energy structure

Description of specific situation:

1. Green and low-carbon demonstrations lead the green development of the enterprise. In 2024, the Company applied for two green technology projects of the National Development and Reform Commission and seven environmental protection projects under the state-owned capital operation budget, and the “high-efficiency shield-structure waste soil processing technology” was included in the Green Technology Promotion Catalogue (2024 Edition) of the National Development and Reform Commission; the Company continued to conduct enterprise-level energy-saving and low-carbon technology appraisal, and appraised and elected a total of 41 energy-saving and low-carbon technologies of China Railway; the Company organized the appraisal of “Green Construction Technology Demonstration Projects of China Railway”, appraised and selected 100 green projects of China Railway in 2024; and the Company actively applied for the “Green Construction Star Rating” of the industry association and participated in the “Green Competition” activity.
2. Green and low-carbon concept is embedded throughout the full lifecycle of projects. The Company fully utilized roofs and idle land in transportation, construction and other scenarios to build a distributed “photovoltaic storage charging replacement” comprehensive energy service system; built green station buildings for rail transit, near-zero-carbon and zero-carbon service areas for highways, and zero-carbon green buildings; developed a comprehensive energy-saving plan for tunnels and adopted new technologies such as energy storage luminescent coatings to reduce lighting energy consumption; increased the proportion of green electricity in the procurement of electricity for facilities and equipment; and actively expanded its business in the treatment of pollutants such as urban, traffic atmosphere, wastewater and sludge.

3. Promoting green and low-carbon transformation and upgrading based on new energy. The Company actively promoted the application of renewable energy such as photovoltaic, wind energy, air source heat pump and ground source heat pump in engineering projects and transportation infrastructure, and promoted the construction of low-carbon transportation projects; promoted the application of technologies such as “building energy electrification” and “photovoltaic, energy storage, direct current and flexibility” in construction projects, and promoted the construction of near-zero carbon and zero-carbon projects; and prioritized the use of green electricity in factories and mines. The use of clean energy in construction projects has increased year by year, and the structure of new energy use has been comprehensively constructed.

Indicators	2024	Year-on-year increase or decrease	2023
Total amount of CO ₂ emission (ten-thousand tons)	1,556.7222	-9.89%	1,727.7111
CO ₂ emission density (ton/RMB ten-thousand)	0.1405	-3.3%	0.1453
NO _x emission (ton)	9.63	3.3%	9.32
Smoke (dust) emission (ton)	50.46	-4.6%	52.87
VOC emission (ton)	23.53	-16%	27.93
SO ₂ (ton)	0.33	6.2%	0.31
Total amount of hazardous waste (ton)	1,280	-8.5%	1,400
Hazardous waste emission per RMB ten-thousand (kg/RMB ten-thousand)	0.011	0	0.011
Total amount of non-hazardous waste (ten-thousand tons)	5,105,000	-0.97%	5,155,000
Non-hazardous waste emission per RMB ten-thousand (kg/RMB ten-thousand)	0.046	12.2%	0.041

Specific Description

1. The Company is a construction enterprise, and the carbon dioxide emissions are indirect greenhouse gas emissions from energy.
2. Emissions of nitrogen oxides, sulfur dioxide, smoke (dust) and volatile organic compounds are calculated based on the emissions permits for industrial sectors.
3. In 2024, China Railway Baoji Bridge and China Railway Jiujiang Bridge Engineering under China Railway Industry, a subsidiary of the Company, added the environmental protection treatment equipment using regenerative thermal oxidizer (natural gas as fuel) RTO method, which resulted in the increase in nitrogen oxides and sulfur dioxide emissions. The nitrogen oxides emission density disclosed in 2023 is the lowest value for quarterly monitoring, and it should be 9.32 tons for 2023 after amendment.

5.18 Social responsibility commitments

(1) Whether social responsibility reports, sustainability reports or ESG reports are disclosed separately

As a leader in the construction industry, the Company never forgets its mission of becoming a practitioner, promoter and pioneer of corporate social responsibility. The Company started to construct a scientific, standardized, systematic and effective management system of corporate social responsibilities since 2008, planning social responsibilities in ten aspects, i.e. governance in accordance with the law, quality services, efficiency creation, employee development, safety supervision, scientific and technological progress, environmental protection, public welfare undertakings, win-win cooperation and overseas responsibility, and rolling out a series of social responsibility management activities covering its headquarters and subsidiaries in order to achieve social responsibility goals of comprehensive coverage, down-to-earth implementation, steady perfection and industrial leading, and make continuous and irreplaceable contributions to the society.

The Company has formulated the Guidelines for China Railway to Fulfill Social Responsibility (ESG) with High Standards in the New Era, continuously promoted the full integration of the concepts of social responsibility and ESG into corporate strategy, major decisions and corporate culture construction. The Company formulated and released its 17th ESG report and social responsibility report, which was highly praised by the capital markets of Shanghai and Hong Kong, and was recognised as an outstanding report by the China Association of Communications Enterprise Management. In 2024, the Company was awarded the Hong Kong Stock ESG Value Election Award of “China Listed Companies Yinghua Demonstration Case” by China Fund News and the “ESG Best Practice Award” by the China Association for Public Companies, and has been selected as the best practice case for sustainable development by the China Association for Public Companies for three consecutive years, marking a further increase in the capital market value of the Company. Two cases of the Company were respectively selected in the Central Enterprises Social Responsibility Blue Book and the Central Enterprises Overseas ESG Blue Book, fully demonstrating the due responsibility and market recognition of the enterprise to actively practice social responsibility and promote sustainable and high-quality development.

For details of the Company’s fulfillment of social responsibilities, please refer to the 2024 Environmental, Social and Governance Report and Social Responsibility Report of China Railway Group Limited published by the Company on the website of Shanghai Stock Exchange at the same time as this announcement.

(2) *Social responsibility commitments*

External donations, public welfare projects	Quantity/Content	Description
Total investment (RMB ten-thousand)	9,434.20	Mainly including an investment of RMB5 million in Rucheng County to support the development of the Baimao tea industry and an investment of RMB15 million to build the Shazhou Agricultural Products Cold Chain Logistics & Trading Center; an investment of RMB20 million to build the demonstration base for “cold-water rice characteristic industry” in Guidong County; an investment of RMB20 million to develop high-standard farmland; and an investment of RMB20 million to build beautiful and livable countryside in Mozhong Village, Shagong Township, Karuo District, Chamdo City.
Of which: funds (RMB ten-thousand)	9,434.20	/
Materials equivalent (RMB ten-thousand)	0.00	/
Number of beneficiaries (persons)	315,100	/

Specific description

In 2024, China Railway has always minded the country's most fundamental interests, and focused on promoting the overall rural revitalization to scientific plan and strive for efficiency and success. The Company fully completed the annual assistance task in three targeted counties including Rucheng and Guidong in Hunan, and Baode in Shanxi, and the counterpart support task in Karuo District, Chamdo, Tibet. The Company selected the targeted assistance projects, invested RMB5 million for the third consecutive year to support the development of the Baimao tea industry in Rucheng County, expanding the planting area and promoting industrial upgrading; invested RMB15 million to build the Shazhou Agricultural Products Cold Chain Logistics & Trading Center, promoting the expansion and upgrading of characteristic fruit industry in Rucheng County; invested RMB20 million in Guidong County to upgrade and renovate 2,500 mu of scattered rice fields, creating a concentrated and contiguous demonstration base for the "cold-water rice characteristic industry"; and invested RMB20 million in Baode County to support the local construction of 20,000 mu of high standard farmland. The Company focused on promoting employment and conducting training and empowerment, continued to uphold the brand of "everyone has skills" in Rucheng County, and conducted 11 special skill trainings such as scientific special commissioners of bamboo industry and ginger planting throughout the year, training and cultivating 951 skilled personnel of various types. The Company continued to promote the "Baode Good Driver" training in Baode County, completing 8 training courses and personalized "one-on-one" teaching for more than 160 times throughout the year. Leveraging corporate strengths, the Company provided employment opportunities for more than 1,400 people within the Company and assisted 606 people to get employed through transfer of employment throughout the year. The Company seriously planned and organized assistance through consumption, actively organized special activities such as the "Spring Action" and "Agricultural Revitalization Week" for poverty alleviation through consumption by central enterprises, issued documents, set goals and actively mobilized. The two special actions purchased and helped sell agricultural products amounting to RMB17.4633 million in aggregate. The Company gave full play to its advantage of having engineering projects spread across the country, organized participating units to purchase agricultural products from the supported regions. Focusing on improving people's livelihoods, temporary cadres actively carried out the renovation and upgrading of gerocomiums and schools, and improved the conditions for elderly care and enrollment of eligible students; implemented centralized management of rural roads, hardened 1,260 meters of village roads, cleared 192 cubic meters of road collapses and solved the traffic safety problems of more than 1,200 villagers; actively carried out the "Fulfillment of Little Wish" and invested RMB150,000 to support 40 high school students from difficult families; and completed the construction of three canteens for the elderly, the elderly-oriented renovation of 90 households with difficult elderly people and the accessibility renovation of 80 households with difficult disabilities. In the targeted assistance and pairing support work, China Railway always takes supporting and benefiting farmers as the purpose with all tasks being conducted for supporting local masses in increasing income and getting rich.

5.19 Work of consolidating and expanding poverty alleviation results and rural revitalization

Poverty alleviation and rural revitalization projects	Quantity/ Content	Description
Total investment (RMB ten-thousand)	8,660	Among them, RMB5 million was invested to support the development of Baimao tea industry in Rucheng County, and RMB15 million was invested in the construction of the Shazhou Agricultural Products Cold Chain Logistics & Trading Center; RMB20 million was invested in the construction of the demonstration base for “cold-water rice characteristic industry” in Guidong County; RMB20 million was invested to develop high-standard farmland in Baode County; and RMB20 million was invested in the construction of beautiful and livable countryside in Mozhong Village, Shagong Township, Karuo District, Chamdo City.
Of which: Funds (RMB ten thousand)	8,660	
Materials equivalent (RMB ten thousand)	0	
Forms of assistance (such as industrial assistance, employment assistance, education assistance)	Industrial assistance, employment assistance, education assistance, etc.	The Company organized the fourth training course of China Railway for grassroots cadres of targeted poverty alleviation, training 55 people. A total of 43,933 grassroots cadres were trained in each supported county throughout the year. The Company also purchased and helped sell agricultural products amounting to RMB60.2386 million.

Specific description

In 2024, China Railway follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly studied General Secretary Xi Jinping's important exposition on "Three Rural Issues" and rural revitalization, fully implemented the spirit of the 20th CPC National Congress and the Second and Third Plenary Session of the 20th CPC Central Committee, conscientiously implemented the decision-making and deployment of the Central Committee of the CPC and the State Council as well as work requirements of the SASAC. The Company strengthened its commitment and performed its duties, aligned efforts to consolidate and expand the achievements in poverty alleviation with efforts to promote rural revitalization, and demonstrated the good image of China Railway and the responsibility of the central enterprise with new achievements in targeted assistance. The Company invested RMB86.6 million in targeted poverty alleviation and pairing support funds without compensation throughout the year, trained 43,933 grassroots cadres and talents, and purchased and helped sell agricultural products amounting to RMB60.2386 million. The results of targeted poverty alleviation and pairing support efforts were remarkable. The experience exchange of the Building Characteristic "Three Good" Brands to Assist Baode Rural Revitalization (《打造特色「三好」品牌 助力保德鄉村振興》) was held at the working meeting of central enterprise supporting rural revitalization. The case of the "Good Property" Supporting Employment Expansion (《「好物業」助力擴就業》) was selected in the Blue Book of Central Enterprise Assisting Rural Revitalization (《中央企業助力鄉村振興藍皮書》), and the "Dreaming of Girls in Mountain (深山女孩圓夢記)" was selected in the "Seventh Outstanding Story of Central Enterprises".

Firstly, strengthening poverty alleviation through characteristic industries. The Company continued to build advantageous industries. The Company has invested RMB5 million to support the development of the Baimao tea industry in Rucheng County for three consecutive years, and established a wild resource conservation zone and a parent field, expanding the planting area and promoting further development of the Baimao tea industry. The Company innovatively cultivated characteristic industries. The Company invested RMB20 million in Baode County to support the local construction of 20,000 mu of high standard farmland and build a contiguous demonstration zone of high-quality farmland; invested RMB20 million in Guidong County to upgrade and renovate 2,500 mu of scattered rice fields and create a concentrated and contiguous demonstration base for the "cold-water rice characteristic industry"; and invested RMB15 million in Rucheng County to build the Shazhou Cold Chain Logistics & Trading Center of Agricultural Products and promote the expansion and upgrading of the characteristic fruit industry in surrounding towns. **Secondly, strengthening poverty alleviation through education and employment.** The Company actively participated in the action of central enterprise of talent cultivation to promote revitalization, and held the fourth training course for grassroots cadres of targeted poverty

alleviation, empowering 55 cadres from counties and villages through training; strengthened employment skills training for local people and trained 14,800 technical personnel of various types throughout the year; and leveraged its corporate advantages to provide quality employment positions for local residents, as result of which more than 1,400 people were employed within the Company, and 606 people were assisted get employed through transfer of employment. **Thirdly, strengthening agricultural poverty alleviation through consumption.** The Company actively organized special activities such as the “Spring Action” and “Agricultural Revitalization Week” for poverty alleviation through consumption by central enterprises, issued documents, set goals and actively mobilized. The two special actions purchased and helped sell agricultural products amounting to RMB17.4633 million in aggregate. The Company took advantage of its nationwide engineering projects to organize participating units to purchase agricultural products in supported areas. The participating units of the Sichuan-Tibet Railway purchased agricultural products of RMB37.7663 million in Karuo District, Chamdo City, Tibet, which was supported by the Company. **Fourthly, strengthening poverty alleviation through infrastructure reconstruction.** The Company closely focused on “urgent difficulties and worries”, improved the living environment, and built beautiful countryside. Assistance cadres of each county applied for special funds to renovate and upgrade facilities such as geracomiums and schools, and improved the conditions for elderly care and enrollment of eligible students; and implemented centralized management of rural roads, hardened 1,260 meters of village roads, cleared 192 cubic meters of road collapses and solved the traffic safety problems of more than 1,200 villagers. **Fifthly, strengthening the leading and guaranteeing role of Party building.** The Company guided its subsidiaries and supported areas to carry out Party co-building, signed pairing and co-building agreements, and guided the grassroots Party building work. Units such as China Railway Second Bureau, Construction Engineering Group, Guangzhou Bureau, etc. held training courses such as “Youth Field Practice” and “Youth Horse Class” at the Red Education Base in Rucheng and Guidong, guiding young cadres to experience red culture, inherit revolutionary spirit, and forge ideal beliefs.

6 FINANCIAL REPORT

Consolidated Statement of Profit or Loss

For the year ended 31 December 2024

	<i>NOTES</i>	Year ended 31/12/2024 RMB million	Year ended 31/12/2023 RMB million
Revenue	3	1,160,311	1,263,412
Cost of sales and services		<u>(1,050,080)</u>	<u>(1,140,726)</u>
Gross profit		110,231	122,686
Other income	4	4,018	3,439
Other expenses	4	(847)	(1,243)
Net impairment losses on financial assets and contract assets	5	(6,798)	(7,147)
Other gains and losses, net	6	754	383
Losses from derecognition of financial assets at amortised cost	7	(5,145)	(5,139)
Selling and marketing expenses		(6,944)	(6,850)
Administrative expenses		(25,495)	(28,958)
Research and development expenditures		<u>(26,632)</u>	<u>(30,000)</u>
Operating profit		43,142	47,171
Finance income		7,875	8,712
Finance costs		(12,814)	(11,893)
Share of post-tax losses of joint ventures		(724)	(1,075)
Share of post-tax profits of associates		<u>3,134</u>	<u>4,666</u>
Profit before income tax		40,613	47,581
Income tax expense	8	<u>(9,855)</u>	<u>(9,944)</u>
Profit for the year		<u>30,758</u>	<u>37,637</u>
Profit attributable to:			
– Owners of the Company		27,887	33,483
– Non-controlling interests		<u>2,871</u>	<u>4,154</u>
		<u>30,758</u>	<u>37,637</u>
Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)			
– Basic	10	<u>1.085</u>	<u>1.294</u>
– Diluted	10	<u>1.084</u>	<u>1.292</u>

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	Year ended 31/12/2024 <i>RMB million</i>	Year ended 31/12/2023 <i>RMB million</i>
Profit for the year	30,758	37,637
Other comprehensive (expense)/income, net of income tax		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of retirement and other supplemental benefit obligations	(104)	13
Income tax relating to remeasurement of retirement and other supplemental benefit obligations	16	(1)
Changes in the fair value of equity investments at fair value through other comprehensive income	253	(184)
Income tax relating to changes in the fair value of equity investments at fair value through other comprehensive income	(53)	46
	<u>112</u>	<u>(126)</u>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translating foreign operations	(51)	(98)
Share of other comprehensive income of joint ventures and associates	77	156
	<u>26</u>	<u>58</u>
Other comprehensive income/(expense) for the year, net of tax	<u>138</u>	<u>(68)</u>
Total comprehensive income for the year	<u>30,896</u>	<u>37,569</u>
Total comprehensive income for the year attributable to:		
– Owners of the Company	28,026	33,398
– Non-controlling interests	2,870	4,171
	<u>30,896</u>	<u>37,569</u>

Consolidated Statement of Financial Position

At 31 December 2024

	<i>NOTES</i>	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
ASSETS			
Non-current Assets			
Property, plant and equipment		145,360	136,392
Right-of-use assets		16,401	14,240
Deposits for acquisition of property, plant and equipment		600	872
Investment properties		18,959	17,082
Intangible assets		232,245	183,484
Mining assets		7,671	3,206
Contract assets		264,336	242,534
Investments in joint ventures		57,020	60,322
Investments in associates		69,690	63,305
Goodwill		1,558	1,676
Financial assets at fair value through other comprehensive income		20,971	18,267
Other financial assets at amortised cost		24,774	26,277
Financial assets at fair value through profit or loss		17,965	18,929
Deferred tax assets		15,216	13,166
Other prepayments		645	645
Trade and other receivables	<i>11</i>	98,762	23,198
		992,173	823,595
Current Assets			
Properties held for sale		55,019	54,613
Properties under development for sale		118,324	107,595
Inventories		72,372	57,153
Financial assets at fair value through other comprehensive income		752	1,078
Trade and other receivables	<i>11</i>	388,827	293,750
Contract assets		333,120	234,191
Current income tax recoverable		5,036	4,611
Other financial assets at amortised cost		27,737	8,487
Financial assets at fair value through profit or loss		12,155	9,015
Restricted cash and term deposits with maturity over three months		50,577	38,363
Cash and cash equivalents		199,485	196,150
Assets classified as held for sale		689	689
		1,264,093	1,005,695
Total Assets		2,256,266	1,829,290

	<i>NOTES</i>	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
EQUITY			
Equity attributable to owners of the Company			
Share capital		24,742	24,752
Shares held for 2021 Restricted Share Incentive Scheme		(333)	(576)
Share premium and reserves		279,868	258,498
Perpetual notes		<u>50,290</u>	<u>49,712</u>
		354,567	332,386
Non-controlling interests		<u>155,425</u>	<u>127,368</u>
Total Equity		<u>509,992</u>	<u>459,754</u>
LIABILITIES			
Non-current Liabilities			
Trade and other payables	<i>12</i>	84,322	33,803
Borrowings		373,736	316,647
Lease liabilities		3,015	1,135
Retirement and other supplemental benefit obligations		1,654	1,787
Provisions		1,709	1,061
Deferred government grants and income		929	968
Deferred tax liabilities		<u>4,712</u>	<u>3,494</u>
		470,077	358,895
Current Liabilities			
Trade and other payables	<i>12</i>	958,911	750,610
Contract liabilities		161,139	135,708
Current income tax liabilities		9,075	9,435
Borrowings		144,231	113,316
Lease liabilities		1,137	1,009
Retirement and other supplemental benefit obligations		234	262
Financial liabilities at fair value through profit or loss		665	292
Provisions		<u>805</u>	<u>9</u>
		1,276,197	1,010,641
Total Liabilities		<u>1,746,274</u>	<u>1,369,536</u>
Total Equity and Liabilities		<u>2,256,266</u>	<u>1,829,290</u>

Notes:

1. GENERAL INFORMATION

China Railway Group Limited (the “**Company**”) was established in the People’s Republic of China (the “**PRC**”) on 12 September 2007 as a joint stock company with limited liability, as part of the group reorganisation of China Railway Engineering Group Company Limited (“**CREC**”) in preparation for the listing of the Company’s A shares on Shanghai Stock Exchange and H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “**HKSE**”).

The address of the Company’s registered office is 918, Block 1, No.128 South 4th Ring Road West, Fengtai District, Beijing, the PRC. The Company’s ultimate holding company is CREC, established in the PRC.

The Company and its subsidiaries (together, the “**Group**”) are principally engaged in infrastructure construction, survey, design and consulting services, engineering equipment and component manufacturing, property development, mining and merchandise trading, financial trust management, comprehensive financial services and insurance agent.

The consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated.

The consolidated financial statements have been approved for issue by the Board of Directors (the “**Directors**”) on 28 March 2025.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (the “**IASB**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

Except as described below, the application of the amendments to IFRS Accounting Standards in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.1 Impacts on application of Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

The Group has applied the amendments for the first time in the current year.

The amendments add a disclosure objective to IAS 7 *Statement of Cash Flows* stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows.

In addition, IFRS 7 *Financial Instruments: Disclosures* was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

In accordance with the transition provision, the entity is not required to disclose comparative information for any reporting periods presented before the beginning of the annual reporting period in the first year of application as well as the information required by IAS 7:44 (b)(ii) and (b)(iii) above as at the beginning of the annual reporting period in which the entity first applies those amendments.

The Group has provided additional disclosures related to the amendments in notes.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature – dependent Electricity ³
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 ³
Amendments to IAS 21	Lack of Exchangeability ²
IFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined

² Effective for annual periods beginning on or after January 1, 2025

³ Effective for annual periods beginning on or after January 1, 2026

⁴ Effective for annual periods beginning on or after January 1, 2027

Except for the new IFRS Accounting Standard mentioned below, the Directors anticipate that the application of all other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

3. OPERATING SEGMENTS

The Directors are the chief operating decision maker. Management has determined the operating segments based on the reports reviewed by the Directors that are used to allocate resources to the segments and assess their performance. The reports reviewed by the Directors are prepared in accordance with the relevant PRC accounting standards, which resulted in the difference in the basis of measurement of segment results, segment assets and segment liabilities, the details of which are shown as reconciling items.

The Directors consider the business from the service and product perspective. Management assesses the performance of the following five operating segments:

- (a) Construction of railways, highways, bridges, tunnels, metropolitan railways (including subways and light railways), buildings, irrigation works, hydroelectricity projects, ports, docks, airports and other municipal works (“**Infrastructure construction**”);
- (b) Survey, design, consulting, research and development, feasibility study and compliance certification services with respect to infrastructure construction projects (“**Design and consulting services**”);
- (c) Design, research and development, manufacture and sale of turnouts, bridge steel structures, and other railway related equipment, engineering equipment, component manufacturing and materials (“**Equipment and manufacturing**”);
- (d) Development, sale and management of residential and commercial properties (“**Property development**”); and
- (e) Mining, financial business, operation of service concession arrangements, merchandise trading and other ancillary business (“**Other businesses**”).

Revenue between segments is carried out at actual transaction prices.

The segment information regarding the Group's reportable and operating segments is presented below.

Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segments:

For the year ended 31 December 2024

	Infrastructure construction <i>RMB million</i>	Design and consulting <i>RMB million</i>	Equipment manufacturing <i>RMB million</i>	Property development <i>RMB million</i>	Other businesses <i>RMB million</i>	Eliminations <i>RMB million</i>	Total <i>RMB million</i>
External revenue	992,854	17,418	24,813	48,280	66,837	-	1,150,202
Inter-segment revenue	22,365	790	9,419	-	31,000	(63,574)	-
Other revenue	4,121	315	1,666	590	3,417	-	10,109
Inter-segment other revenue	1,193	-	-	-	955	(2,148)	-
Segment revenue	<u>1,020,533</u>	<u>18,523</u>	<u>35,898</u>	<u>48,870</u>	<u>102,209</u>	<u>(65,722)</u>	<u>1,160,311</u>
Segment results							
Profit (loss) before tax	<u>34,439</u>	<u>1,460</u>	<u>1,974</u>	<u>(2,402)</u>	<u>7,084</u>	<u>(3,684)</u>	<u>38,871</u>
Segment results included:							
Share of post-tax profits/(losses) of joint ventures	(522)	-	43	(67)	(161)	(17)	(724)
Share of post-tax profits/(losses) of associates	1,094	7	30	(31)	2,228	(194)	3,134
Interest income	1,946	111	85	171	6,500	(938)	7,875
Interest expenses	(5,473)	(43)	(98)	(1,605)	(8,074)	2,750	(12,543)
Losses from derecognition of financial assets at amortised cost	<u>(4,912)</u>	<u>(39)</u>	<u>(83)</u>	<u>-</u>	<u>(111)</u>	<u>-</u>	<u>(5,145)</u>

For the year ended 31 December 2023

	Infrastructure construction <i>RMB million</i>	Design and consulting <i>RMB million</i>	Equipment manufacturing <i>RMB million</i>	Property development <i>RMB million</i>	Other businesses <i>RMB million</i>	Eliminations <i>RMB million</i>	Total <i>RMB million</i>
External revenue	1,087,584	18,256	27,377	50,914	68,743	–	1,252,874
Inter-segment revenue	38,084	805	8,113	–	37,132	(84,134)	–
Other revenue	5,866	208	488	649	3,327	–	10,538
Inter-segment other revenue	<u>1,543</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>583</u>	<u>(2,126)</u>	<u>–</u>
Segment revenue	<u>1,133,077</u>	<u>19,269</u>	<u>35,978</u>	<u>51,563</u>	<u>109,785</u>	<u>(86,260)</u>	<u>1,263,412</u>
Segment results							
Profit (loss) before tax	<u>40,748</u>	<u>1,323</u>	<u>2,037</u>	<u>(840)</u>	<u>7,469</u>	<u>(4,667)</u>	<u>46,070</u>
Segment results included:							
Share of (losses)/profits of							
joint ventures	(859)	(8)	43	18	(269)	–	(1,075)
Share of profits of associates	1,133	13	16	363	3,141	–	4,666
Interest income	2,338	100	117	226	6,816	(885)	8,712
Interest expenses	(5,223)	(47)	(73)	(1,694)	(7,981)	3,334	(11,684)
Losses from derecognition of financial assets at amortised cost	<u>(4,774)</u>	<u>(7)</u>	<u>(143)</u>	<u>–</u>	<u>(215)</u>	<u>–</u>	<u>(5,139)</u>

A reconciliation of the amounts presented for reportable segments to the consolidated financial statements is as follows:

	Year ended	
	31/12/2024	31/12/2023
	RMB million	RMB million
(i) Segment interest expenses, before inter-segment elimination	15,293	15,018
Inter-segment elimination	<u>(2,750)</u>	<u>(3,334)</u>
Reconciling item:		
Imputed interest expenses on retention payables	<u>271</u>	<u>209</u>
Total consolidated finance costs, as reported	<u>12,814</u>	<u>11,893</u>
(ii) Segment results, before inter-segment elimination	42,555	50,737
Inter-segment elimination	<u>(3,684)</u>	<u>(4,667)</u>
	<u>38,871</u>	<u>46,070</u>
Reconciling item:		
Land appreciation tax("LAT") (a)	<u>1,742</u>	<u>1,511</u>
Total consolidated profit before income tax, as reported	<u>40,613</u>	<u>47,581</u>

(a) LAT is included as charge to segment results under segment reporting and is classified as income tax expense in the consolidated statement of profit or loss.

The following is an analysis of the Group's assets and liabilities by reportable segments:

	31/12/2024	31/12/2023
	RMB million	RMB million
Segment assets		
Infrastructure construction	1,379,342	1,136,878
Design and consulting	31,960	29,679
Equipment manufacturing	80,094	70,821
Property development	284,889	278,456
Other businesses	841,500	755,813
Inter-segment elimination	(380,088)	(458,330)
Unallocated assets	<u>18,569</u>	<u>15,973</u>
Total assets	<u>2,256,266</u>	<u>1,829,290</u>

	31/12/2024	31/12/2023
	<i>RMB million</i>	<i>RMB million</i>
Segment liabilities		
Infrastructure construction	1,192,314	1,010,248
Design and consulting	16,074	15,141
Equipment manufacturing	49,833	41,983
Property development	235,371	222,417
Other businesses	620,911	525,752
Inter-segment elimination	(378,299)	(454,755)
Unallocated liabilities	10,070	8,750
	<hr/>	<hr/>
Total segment liabilities	<u>1,746,274</u>	<u>1,369,536</u>

For the purposes of monitoring segment performance and allocating resources between segments:

- (a) all assets are allocated to operating segments other than deferred tax assets and current income tax recoverable excluding prepaid LAT which is allocated to operating segments; and
- (b) all liabilities are allocated to operating segments other than deferred tax liabilities and current income tax liabilities excluding LAT payable which is allocated to operating segments.

A reconciliation of the amounts presented for reportable segments to the consolidated financial statements is as follows:

	31/12/2024	31/12/2023
	<i>RMB million</i>	<i>RMB million</i>
Segment assets, before inter-segment elimination	2,617,785	2,271,647
Inter-segment elimination	<u>(380,088)</u>	<u>(458,330)</u>
	<u>2,237,697</u>	<u>1,813,317</u>
Reconciling items:		
Deferred tax assets	15,216	13,166
Non-tradable shares reform of subsidiaries (a)	(148)	(148)
Current income tax recoverable	5,036	4,611
Prepaid LAT included in current income tax recoverable	<u>(1,535)</u>	<u>(1,656)</u>
	<u>18,569</u>	<u>15,973</u>
Total consolidated assets, as reported	<u><u>2,256,266</u></u>	<u><u>1,829,290</u></u>
Segment liabilities, before inter-segment elimination	2,114,503	1,815,541
Inter-segment elimination	<u>(378,299)</u>	<u>(454,755)</u>
	<u>1,736,204</u>	<u>1,360,786</u>
Reconciling items:		
Deferred tax liabilities	4,712	3,494
Current income tax liabilities	9,075	9,435
LAT payable included in current income tax liabilities	<u>(3,717)</u>	<u>(4,179)</u>
	<u>10,070</u>	<u>8,750</u>
Total consolidated liabilities, as reported	<u><u>1,746,274</u></u>	<u><u>1,369,536</u></u>

(a) Losses on non-tradable shares reform of subsidiaries are recorded in segment assets in segment reporting according to PRC accounting standards and were adjusted to other gains and losses in profit or loss under IFRS Accounting Standards in prior years.

Other segment information

For the year ended 31 December 2024

	Infrastructure Construction <i>RMB million</i>	Design and consulting <i>RMB million</i>	Equipment manufacturing <i>RMB million</i>	Property development <i>RMB million</i>	Other businesses <i>RMB million</i>	Total <i>RMB million</i>
Capital expenditure:						
Property, plant and equipment	17,898	252	1,452	750	3,163	23,515
Investment properties	32	-	-	311	224	567
Intangible assets	14,092	33	62	9	22,897	37,093
Mining assets	2	-	-	-	4,640	4,642
Right-of-use assets	4,492	43	134	246	305	5,220
Total	36,516	328	1,648	1,316	31,229	71,037
Depreciation and amortisation:						
Property, plant and equipment	6,078	305	739	320	2,476	9,918
Investment properties	189	41	15	284	130	659
Intangible assets	334	29	53	15	1,203	1,634
Mining assets	55	-	-	-	100	155
Right-of-use assets	2,376	56	149	112	261	2,954
Other prepayments	43	5	14	6	119	187
Total	9,075	436	970	737	4,289	15,507
(Gains)/losses on disposal and/or write-off of property, plant and equipment	(257)	1	1	-	32	(223)
Gain on disposal of others	-	-	-	(245)	-	(245)
Increase in foreseeable losses on contracts	216	-	-	-	-	216
Impairment loss/(reversal of impairment) on trade and other receivables	2,938	151	84	1,185	(178)	4,180
Impairment loss/(reversal of impairment) on other financial assets at amortised cost	274	(10)	-	31	553	848
Impairment loss/(gain) on contract assets	1,707	6	12	(16)	61	1,770
Impairment loss on property, plant and equipment	-	23	2	33	6	64
Impairment loss on investment properties	38	-	-	-	-	38
Impairment loss on goodwill	199	-	-	-	-	199
Impairment loss on mining assets	22	-	-	-	-	22
Impairment loss on inventories, properties under development for sale and properties held for sale	32	-	2	1,237	3	1,274

For the year ended 31 December 2023

	Infrastructure Construction <i>RMB million</i>	Design and consulting <i>RMB million</i>	Equipment manufacturing <i>RMB million</i>	Property development <i>RMB million</i>	Other businesses <i>RMB million</i>	Total <i>RMB million</i>
Capital expenditure:						
Property, plant and equipment	24,674	513	1,528	1,844	1,008	29,567
Investment properties	172	271	–	507	498	1,448
Intangible assets	187	25	92	11	41,066	41,381
Right-of-use assets	1,564	35	74	396	546	2,615
Total	26,597	844	1,694	2,758	43,118	75,011
Depreciation and amortisation:						
Property, plant and equipment	5,543	308	732	303	2,302	9,188
Investment properties	13	20	9	383	81	506
Intangible assets	211	30	52	14	1,392	1,699
Mining assets	88	–	–	–	82	170
Right-of-use assets	1,251	55	79	122	277	1,784
Other prepayments	86	–	11	8	108	213
Total	7,192	413	883	830	4,242	13,560
(Gains)/losses on disposal and/or write-off of property, plant and equipment	(110)	2	(9)	–	44	(73)
Gain on disposal of right-of-use assets	(404)	–	–	–	–	(404)
Increase in foreseeable losses on contracts	186	–	–	–	–	186
Impairment loss/(reversal of impairment) on trade and other receivables	5,197	6	179	457	(95)	5,744
Impairment loss/(reversal of impairment) on other financial assets at amortised cost	119	36	–	(12)	225	368
Impairment loss on contract assets	1,035	–	–	–	–	1,035
Impairment loss on property, plant and equipment	–	–	3	–	27	30
Impairment loss on investment properties	2	–	–	–	–	2
Impairment loss on goodwill	125	–	–	–	–	125
(Reversal)/impairment loss on inventories, properties under development for sale and properties held for sale	–	–	(10)	844	17	851

Disaggregation of revenue from contracts with customers

Type of services and products	For the year ended 31 December 2024					
	Infrastructure construction <i>RMB million</i>	Design and consulting <i>RMB million</i>	Equipment manufacturing <i>RMB million</i>	Property development <i>RMB million</i>	Other businesses <i>RMB million</i>	Total <i>RMB million</i>
Infrastructure construction contracts	992,854	–	–	–	–	992,854
Manufacturing and sales of equipment	–	–	24,813	–	–	24,813
Rendering of services	–	17,418	–	–	6,595	24,013
Sales of properties	–	–	–	48,280	–	48,280
Sales of goods and others	4,121	315	1,666	590	63,659	70,351
Total revenue	996,975	17,733	26,479	48,870	70,254	1,160,311
Timing of revenue recognition:						
– At a point of time	4,122	315	15,918	47,250	67,673	135,278
– Over time	992,853	17,418	10,385	1,620	–	1,022,276
Revenue from contracts with customers	996,975	17,733	26,303	48,870	67,673	1,157,554
Rental income	–	–	176	–	2,581	2,757
Total revenue	996,975	17,733	26,479	48,870	70,254	1,160,311

Type of services and products	For the year ended 31 December 2023					
	Infrastructure construction <i>RMB million</i>	Design and consulting <i>RMB million</i>	Equipment manufacturing <i>RMB million</i>	Property development <i>RMB million</i>	Other businesses <i>RMB million</i>	Total <i>RMB million</i>
Infrastructure construction contracts	1,087,584	–	–	–	–	1,087,584
Manufacturing and sales of equipment	–	–	27,377	–	–	27,377
Rendering of services	–	18,256	–	–	6,765	25,021
Sales of properties	–	–	–	50,914	–	50,914
Sales of goods and others	5,866	208	488	649	65,305	72,516
Total revenue	1,093,450	18,464	27,865	51,563	72,070	1,263,412
Timing of revenue recognition:						
– At a point of time	5,866	208	17,177	50,232	70,893	144,376
– Over time	1,087,584	18,256	10,685	1,331	–	1,117,856
Revenue from contracts with customers	1,093,450	18,464	27,862	51,563	70,893	1,262,232
Rental income	–	–	3	–	1,177	1,180
Total revenue	1,093,450	18,464	27,865	51,563	72,070	1,263,412

Revenue from external customers in the Mainland China and other regions is as follows:

	Revenue from external customers	
	Year ended	
	31/12/2024	31/12/2023
	<i>RMB million</i>	<i>RMB million</i>
Mainland China	1,091,667	1,201,156
Other regions (including Hong Kong and Macau)	68,644	<u>62,256</u>
	<u>1,160,311</u>	<u>1,263,412</u>

Non-current assets other than trade and other receivables, financial instruments and deferred tax assets located in the Mainland China and other regions are as follows:

	Non-current assets	
	31/12/2024	
	31/12/2024	31/12/2023
	<i>RMB million</i>	<i>RMB million</i>
Mainland China	795,759	704,416
Other regions (including Hong Kong and Macau)	18,726	<u>19,342</u>
	<u>814,485</u>	<u>723,758</u>

Other regions primarily include countries and regions in Africa, South America, South East Asia and Oceania.

4. OTHER INCOME AND EXPENSES

	Year ended 31/12/2024 <i>RMB million</i>	Year ended 31/12/2023 <i>RMB million</i>
Other income from:		
Government subsidies (a)	1,074	1,412
Interest income from other financial assets at amortised cost	918	1,131
Compensation and claims	657	261
Interest income from financial assets at fair value through profit or loss (“FVTPL”)	254	149
Dividends from financial assets at fair value through other comprehensive income (“FVTOCI”)	80	76
Relocation compensation	24	16
Others	<u>1,011</u>	<u>394</u>
	<u>4,018</u>	<u>3,439</u>
Other expenses on:		
Compensation expenditure	163	400
Penalty cost	208	203
Lawsuit expenditure	57	193
Others	<u>419</u>	<u>447</u>
	<u>847</u>	<u>1,243</u>

(a) Government subsidies relating to income include various government subsidies received by the group entities from the relevant government bodies in connection with enterprise expansion, technology advancement, environmental protection measures enhancement, product development, etc. All subsidies were recognised at the time when the Group fulfilled the relevant criteria and the related expenses were incurred.

Government subsidies relating to assets include government subsidies obtained by the group entities in relation to the acquisition of property, plant and equipment, which were included in the consolidated statement of financial position as deferred government grants and credited to profit or loss on a straight-line basis over the expected useful lives of the relevant assets.

5. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS

	Year ended 31/12/2024 <i>RMB million</i>	Year ended 31/12/2023 <i>RMB million</i>
Trade and other receivables (excluding advance to suppliers)	4,180	5,744
Contract assets	1,770	1,035
Other financial assets at amortised cost	<u>848</u>	<u>368</u>
	<u>6,798</u>	<u>7,147</u>

6. OTHER GAINS AND LOSSES, NET

	Year ended 31/12/2024 <i>RMB million</i>	Year ended 31/12/2023 <i>RMB million</i>
Gains on disposal and/or write-off of		
– property, plant and equipment	223	73
– right of use assets	–	404
– others	245	–
Losses on disposal of financial assets/liabilities at FVTPL	(39)	(109)
Losses arising on change in fair value of financial assets/liabilities at FVTPL	(418)	(246)
Foreign exchange gains/(losses), net	97	(132)
Others	<u>646</u>	<u>393</u>
	<u>754</u>	<u>383</u>

7. LOSSES FROM DERECOGNITION OF FINANCIAL ASSETS AT AMORTISED COST

	Year ended 31/12/2024 <i>RMB million</i>	Year ended 31/12/2023 <i>RMB million</i>
Asset-backed notes (“ABN”) and asset-backed securities (“ABS”)	4,383	4,463
Factoring expenses	544	543
Bills receivables discounted expenses	<u>218</u>	<u>133</u>
	<u>5,145</u>	<u>5,139</u>

8. INCOME TAX EXPENSE

	Year ended 31/12/2024 <i>RMB million</i>	Year ended 31/12/2023 <i>RMB million</i>
Current income tax		
– Enterprise income tax (“EIT”)	9,181	9,008
– LAT	1,742	1,511
– Over provision in prior years	(47)	(5)
Deferred income tax	<u>(1,021)</u>	<u>(570)</u>
Income tax expense	<u>9,855</u>	<u>9,944</u>

The majority of the entities in the Group are located in Mainland China. Pursuant to the relevant laws and regulations, the statutory EIT rate of 25% (2023: 25%) is applied to the Group except for certain subsidiaries which were mainly either exempted from EIT or entitled to the preferential tax rate of 20% and 15% (2023: 20% and 15%) for the year ended 31 December 2024.

Certain of the Group’s overseas entities are located in Republic of Singapore, The Lao People’s Democratic Republic, Malaysia, Democratic Republic of the Congo, Republic of Indonesia, People’s Republic of Bangladesh, United Republic of Tanzania and Federal Democratic Republic of Ethiopia. Pursuant to the relevant laws and regulations of these jurisdictions, the EIT rates of 17%, 24%, 24%, 30%, 20%, 25%, 30% and 30% (2023: 17%, 24%, 24%, 30%, 20%, 35%, 30% and 30%) are applied to these entities respectively.

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss as follows:

	Year ended 31/12/2024 RMB million	Year ended 31/12/2023 RMB million
Profit before income tax	40,613	47,581
Tax at PRC EIT rate of 25% (2023: 25%)	10,153	11,895
Tax effect of:		
Non-deductible expenses	186	274
Share of losses of joint ventures	181	269
Share of profits of associates	(784)	(1,166)
Tax losses/other deductible temporary differences not recognised as deferred tax assets	2,829	2,837
Utilisation of tax losses/other deductible temporary differences previously not recognised as deferred tax assets	(656)	(608)
Preferential tax rates on income of group entities and other income tax credits	(2,176)	(2,899)
Research and development tax credit	(1,214)	(1,430)
LAT	1,742	1,511
Tax effect of LAT	(436)	(378)
Over provision in prior years	(47)	(5)
Deductible dividends on perpetual notes	(526)	(434)
Others	603	78
Income tax expense for the year	<u>9,855</u>	<u>9,944</u>

The PRC EIT rate is used as it is the domestic tax rate in the jurisdiction where the operation of the Group is substantially based.

9. DIVIDENDS

	Year ended 31/12/2024 RMB million	Year ended 31/12/2023 RMB million
Proposed final dividend of RMB0.178 per ordinary share (2023: RMB0.210)	<u>4,404</u>	<u>5,198</u>

The dividends proposed in 2024 were RMB4,404 million (RMB0.178 per ordinary share) and paid in 2023 were RMB5,198 million (RMB0.210 per ordinary share) respectively.

Subsequent to the end of the reporting period, final dividend in respect of the year ended 31 December 2024 of RMB0.178 per ordinary share (approximately RMB4,404 million in aggregate for ordinary shares) has been proposed by the Directors and is subject to approval by the shareholders at the forthcoming annual general meeting.

10. EARNINGS PER SHARE

(a) Basic

Basic earnings per share (“EPS”) is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

For those financial instruments classified as equity, if the distributions are cumulative, the undeclared amount of the cumulative distributions were deducted in arriving at earnings for the purposes of the EPS calculation. On the other hand, if the distributions are non-cumulative, only the amount of dividends declared in respect of the year should be deducted in arriving at the profit attributable to ordinary shareholders.

	Year ended 31/12/2024	Year ended 31/12/2023
Profit attributable to owners of the Company (<i>RMB million</i>)	27,887	33,483
Less:		
– dividends attributable to the perpetual notes (<i>RMB million</i>) (<i>Note (i)</i>)	1,157	1,661
– the effect of 2021 Restricted Share Incentive Scheme (<i>RMB million</i>)	22	36
	<hr/>	<hr/>
Profit used to determine basic earnings per share (<i>RMB million</i>)	<u>26,708</u>	<u>31,786</u>
Weighted average number of ordinary shares to determine basic earnings per share (<i>in million</i>)	<u>24,619</u>	<u>24,571</u>
Basic earnings per share (<i>RMB per share</i>)	<u>1.085</u>	<u>1.294</u>

- (i) The perpetual notes issued by the Company were classified as equity instruments with deferrable cumulative interest distribution and payment. The perpetual notes interests, which was generated and attributable to the year ended 31 December 2024, were deducted from earnings when calculate the earnings per share for the year ended 31 December 2024.

(b) **Diluted**

Diluted earnings per share was calculated by dividing the adjusted profit attributable to ordinary equity holders of the Company based on the diluted potential ordinary shares by the weighted average number of shares in issue during the period. For the year of 2024, the Company's 2021 Restricted Share Incentive Scheme has diluted effect on earnings per share, therefore, the diluted earnings per share did not equal basic earnings per share.

Diluted earnings per share are calculated as follows:

	Year ended 31/12/2024	Year ended 31/12/2023
Earnings		
Profit used to determine basic earnings per share (<i>RMB million</i>)	<u>26,708</u>	<u>31,786</u>
Add:		
– the effect of 2021 Restricted Share Incentive Scheme (<i>RMB million</i>)	<u>22</u>	<u>23</u>
Profit used to determine diluted earnings per share (<i>RMB million</i>)	<u>26,730</u>	<u>31,809</u>
Shares		
Weighted average number of ordinary shares to determine basic earnings per share (<i>in million</i>)	24,619	24,571
Dilution effect		
– the effect of 2021 Restricted Share Incentive Scheme (<i>in million</i>)	<u>44</u>	<u>45</u>
Weighted average number of ordinary shares to determine diluted earnings per share (<i>in million</i>)	<u>24,663</u>	<u>24,616</u>
Diluted earnings per share (<i>RMB per share</i>)	<u><u>1.084</u></u>	<u><u>1.292</u></u>

11. TRADE AND OTHER RECEIVABLES

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Trade and bills receivables	359,446	193,674
Less: loss allowance	<u>(21,265)</u>	<u>(18,859)</u>
Trade and bills receivables – net	338,181	174,815
Other receivables (net of impairment)	109,154	96,548
Advance to suppliers (net of impairment)	<u>40,254</u>	<u>45,585</u>
Total trade and other receivables	<u>487,589</u>	<u>316,948</u>
Less: amount due after one year included in non-current assets	<u>(98,762)</u>	<u>(23,198)</u>
Amount due within one year included in current assets	<u>388,827</u>	<u>293,750</u>
Including: Trade receivables	263,758	172,497
Less: credit loss allowance	<u>(17,564)</u>	<u>(15,645)</u>
Trade receivables – net	<u>246,194</u>	<u>156,852</u>

(a) Ageing analysis of trade and bills receivables, based on invoice date, is as follows:

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Less than 1 year	297,064	142,215
1 year to 2 years	24,032	21,833
2 years to 3 years	13,509	9,816
3 years to 4 years	7,323	4,463
4 years to 5 years	3,036	4,969
More than 5 years	<u>14,482</u>	<u>10,378</u>
Total	<u>359,446</u>	<u>193,674</u>

Majority of the Group's revenues are generated through infrastructure construction, survey, design and consulting, engineering equipment and component manufacturing contracts. The settlements are made in accordance with the terms specified in the contracts governing the relevant transactions.

(b) Trade and bills receivables of RMB555 million (31 December 2023: RMB317 million) were pledged to secure borrowings amounting to RMB445 million (31 December 2023: RMB185 million).

- (c) As at 31 December 2024, trade receivables of RMB89,480 million (31 December 2023: RMB67,619 million) had been transferred in accordance with relevant ABN and ABS issuance, and trade receivables of RMB17,036 million (31 December 2023: RMB14,765 million) had been transferred to financial institutions in accordance with relevant non-recourse factoring agreements. Relevant trade receivables were derecognised as the Directors are of the opinion that the substantial risks and rewards associated with the trade receivables have been transferred and therefore qualified for derecognition.
- (d) As at 31 December 2024, bills receivables – bank acceptance and commercial acceptance notes of RMB1,122 million (31 December 2023: RMB442 million) were endorsed to suppliers, and RMB10 million (31 December 2023: RMB7 million) were discounted with banks. In the opinion of the Directors, as the counter party bears higher credit risk, such transactions did not qualify for derecognition. In addition, as at 31 December 2024, bills receivables – bank acceptance notes of RMB994 million (31 December 2023: RMB860 million) were endorsed to suppliers, and RMB1 million (31 December 2023: RMB151 million) were discounted with banks. Relevant bills receivables were derecognised as the Directors are of the opinion that the substantial risks and rewards associated with those bank acceptance notes have been transferred and therefore qualified for derecognition.
- (e) As at 31 December 2024, trade receivables net of credit loss allowance, which were collectively assessed for impairment, are as follows:

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Central-governmental enterprises		
Less than 1 year	16,233	11,485
1 year to 2 years	2,102	1,955
2 years to 3 years	485	618
3 years to 4 years	214	286
4 years to 5 years	85	103
More than 5 years	103	123
	<hr/>	<hr/>
Total	19,222	14,570
	<hr/> <hr/>	<hr/> <hr/>
	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Locally-administrated state-owned enterprises		
Less than 1 year	132,784	71,961
1 year to 2 years	12,973	8,814
2 years to 3 years	4,671	4,423
3 years to 4 years	3,398	2,164
4 years to 5 years	1,447	996
More than 5 years	1,635	1,276
	<hr/>	<hr/>
Total	156,908	89,634
	<hr/> <hr/>	<hr/> <hr/>

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
China State Railway Group Co., Ltd.		
Less than 1 year	17,200	10,664
1 year to 2 years	1,241	1,539
2 years to 3 years	447	350
3 years to 4 years	171	240
4 years to 5 years	222	193
More than 5 years	178	218
Total	<u>19,459</u>	<u>13,204</u>

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Overseas enterprises		
Less than 1 year	4,174	2,213
1 year to 2 years	256	26
2 years to 3 years	10	56
3 years to 4 years	12	5
4 years to 5 years	1	–
Total	<u>4,453</u>	<u>2,300</u>

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Other entities		
Less than 1 year	33,357	24,598
1 year to 2 years	3,591	3,521
2 years to 3 years	1,354	1,674
3 years to 4 years	752	565
4 years to 5 years	387	331
More than 5 years	621	588
Total	<u>40,062</u>	<u>31,277</u>

As at 31 December 2024, the amount of individually impaired trade receivables was RMB15,777 million (31 December 2023: RMB15,325 million) with the provision for loss allowance of RMB9,687 million (31 December 2023: RMB9,459 million).

As at 31 December 2024, bills receivables – bank acceptance notes of RMB782 million (31 December 2023: RMB928 million) were not impaired. Commercial acceptance notes, which were collectively assessed for impairment, were RMB1,087 million (31 December 2023: RMB954 million) with the provision for credit loss allowance of RMB3 million (31 December 2023: RMB5 million).

As at 31 December 2024, the amount of collectively impaired long-term trade receivables was RMB90,288 million (31 December 2023: RMB15,549 million) with the provision for loss allowance of RMB689 million (31 December 2023: RMB74 million). The amount of individually impaired long-term trade receivables was RMB3,530 million (31 December 2023: RMB3,747 million) with the provision for loss allowance of RMB3,008 million (31 December 2023: RMB3,135 million).

(f) Movements on loss allowance of trade and other receivables are as follows:

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
At 31 December in prior year	33,060	28,752
Increase in loss allowance recognised in profit or loss during the year	7,617	8,386
Amount reversed	(3,437)	(2,642)
Receivables written off during the year as non-collectible	(204)	(221)
Others	293	(1,215)
	<u>37,329</u>	<u>33,060</u>

The increase and reversal in loss allowance of trade and other receivables have been included in net impairment losses on financial assets in the consolidated statement of profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

(g) The carrying amount of trade and other receivables are denominated in the following currencies:

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
RMB	477,999	305,287
USD	6,533	7,294
West African CFA Franc	164	184
Ethiopian Birr	7	139
HKD	365	100
EUR	15	239
Other currencies	2,506	3,705
	<u>487,589</u>	<u>316,948</u>

As at 31 December 2024, other currencies mainly comprised of Bangladesh Taka, Malaysian Ringgit and South African Rand.

(h) The maximum exposure to credit risk at the reporting date is the carrying amounts of each class of receivables mentioned above.

12. TRADE AND OTHER PAYABLES

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Trade and bills payables (a)	773,169	588,737
Dividend payables	947	950
Accrued payroll and welfare	6,540	5,580
Other taxes	5,626	5,956
Deposits received in advance	1,443	1,205
Deposits (b)	7,627	3,869
Advance from customers for rental	2,219	1,179
Other payables	245,662	176,937
	<u>1,043,233</u>	<u>784,413</u>
Analysed for reporting purposes as:		
Non-current	84,322	33,803
Current	958,911	750,610
	<u>1,043,233</u>	<u>784,413</u>

The credit period on purchases of goods ranges from 180 days to 360 days. Included in trade and bills payables are retention payables of RMB39,110 million (31 December 2023: RMB17,921 million). Retention payables are interest-free and payable at the end of the retention period of the respective infrastructure construction and products manufacturing and installation contracts.

The balances of other payables mainly include payments made by the third parties on behalf of the Group, guarantee money payables and others.

(a) The ageing analysis of trade and bills payables (including amounts due to related parties of trading nature), based on invoice date, is as follows:

	31/12/2024 <i>RMB million</i>	31/12/2023 <i>RMB million</i>
Less than 1 year	724,349	544,622
1 year to 2 years	26,926	23,035
2 years to 3 years	8,907	10,204
More than 3 years	12,987	10,876
	<u>773,169</u>	<u>588,737</u>

- (b) China Railway Finance Co., Ltd. (“**CREC Finance**”), a subsidiary of the Company, accepted deposits from related parties and third parties. As at 31 December 2024, these deposits were due within one year with average annual interest rate of 1.265%.
- (c) The carrying amount of trade and other payables are denominated in the following currencies:

	31/12/2024	31/12/2023
	<i>RMB million</i>	<i>RMB million</i>
RMB	1,033,189	768,063
USD	5,943	11,524
Other currencies	4,101	4,826
	<u>1,043,233</u>	<u>784,413</u>

At 31 December 2024, other currencies mainly consist of West African Franc, Ethiopian Birr, and HKD.

7 AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited financial statements for the year ended 31 December 2024.

8 DIVIDENDS

The Board of Directors recommended the payment of a final dividend in the amount of RMB0.178 per share (including tax), totalling approximately RMB4.404 billion for the financial year ended 31 December 2024 (2023: RMB0.210 per share (including tax) totalling approximately RMB5.198 billion). The distribution plan will be implemented upon approval at the 2024 annual general meeting of the Company and the dividend is expected to be paid in around August 2025 to the shareholders of the Company.

9 REPURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December 2024, the Company repurchased and cancelled part of the restricted A shares granted under the 2021 Restricted Share Incentive Scheme.

On 11 March 2024, the Company repurchased and cancelled from 7 participants in the first grant of the restricted shares (1,566,166 restricted shares in total) which were granted but not yet unlocked. Among the 7 participants, 1 participant was transferred from the Company and ceased to take office in the Company due to organisational arrangements, 1 participant was deceased, 1 participant resigned from the Company during the labour contract period, 2 participants violated laws and regulations and 2 participants received a fair performance rating in the 2022 annual individual performance appraisal (80% of their restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares would be repurchased and canceled by the Company). The repurchase price of the restricted shares to be repurchased from the 5 participants is RMB3.154 per share, and the repurchase price of the restricted shares to be repurchased from the 2 participants is RMB3.154 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. Please refer to the announcements of the Company dated 29 December 2023 and 6 March 2024 published on the website of the Hong Kong Stock Exchange.

On 25 December 2024, the Company repurchased and cancelled from 43 participants of the restricted shares (7,384,576 restricted shares in total) which were granted but not yet unlocked. Among the participants in the first grant, 1 participant was transferred from the Company and ceased to take office in the Company due to organizational arrangements, 36 participants retired normally as the legal retirement age was reached and the time of retirement was more than 6 months before the selling restrictions are unlocked, 2 participants resigned from the Company during the employment contract period, 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; among the participants in the reserved grant, 1 participant received a fair performance rating in the 2022 annual individual performance appraisal (80% of the restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares would be repurchased and canceled by the Company). The repurchase price of the restricted shares to be repurchased from 37 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, the repurchase price of the restricted shares to be repurchased from 5 participants is RMB2.944 per share, and the repurchase price of the restricted shares to be repurchased from 1 participant is RMB3.27 per share. On 25 December 2024, the Company further repurchased and cancelled from 14 participants in the first grant of the restricted shares (1,380,123 restricted shares in total) which were granted but not yet unlocked. Among the 14 participants, 1 participant became unable to hold restricted shares of the Company after becoming a management leader of the State-owned Assets Supervision and Administration Commission of the State Council, 1 participant was transferred from the Company due to organizational arrangements and the time of transfer was more than 6 months before the selling restrictions for the second batch are unlocked, 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., 1 participant was transferred from the Company due to organizational arrangements and the time of transfer was less than 6 months before the selling restrictions for the second batch are unlocked but more than 6 months before the selling restrictions for the third batch are unlocked, 6 participants retired normally as the legal retirement age was reached and the time of retirement was less than 6 months before the selling restrictions for the second batch are unlocked but more than 6 months before the selling restrictions for the third batch are unlocked, and 2 participants received a competent performance rating in the 2023 annual individual performance appraisal (80% of the restricted shares are unlocked in the current period, while the remaining 20% of the restricted shares would be repurchased and canceled by the Company). The repurchase price of the restricted shares to be repurchased from 9 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 5 participants is RMB2.944 per share. Please refer to the announcements of the Company dated 30 August 2024, 30 October 2024 and 20 December 2024 published on the website of the Hong Kong Stock Exchange.

Save for the aforementioned matters, neither the Company nor any of its subsidiaries purchased any securities of the Company, nor did they sell or redeem any of the securities of the Company during the year ended 31 December 2024.

On 13 March 2025, among the participants under the first grant, 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. Please refer to the announcement of the Company dated 13 March 2025 published on the website of the Hong Kong Stock Exchange.

10 COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

As a company listed on the Main Board of the Hong Kong Stock Exchange, the Company is committed to comply with the requirements under the Corporate Governance Code set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company has complied with all provisions of the Corporate Governance Code during the reporting period.

11 EVENT AFTER THE REPORTING PERIOD

- (a) On 11 March 2025, the Company issued the first batch of Science and Technology Innovation Renewable Corporate Bonds, with an aggregate principal amount of RMB3.0 billion, which can be redeemed in 2030 (category one) and beyond. Pursuant to the terms and conditions of the Renewable Bonds, these Renewable Bonds bear the initial interest rate of 2.40% per annum (category one).
- (b) On 13 March 2025, the Proposal on the Repurchase and Cancellation of Certain Restricted Shares under the 2021 Restricted Share Incentive Scheme was considered and approved at the 30th meeting of the fifth session of the Supervisory Committee and the 8th meeting of the sixth session of the Board of Directors of the Company, respectively. 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 shares.

- (c) On 13 March 2025, 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 at the 30th meeting of the fifth session of the Supervisory Committee and the 8th meeting of the sixth session of the Board of Directors of the Company, respectively. The number of participants under the first grant who are qualified for the unlocking during the second unlocking period after the adjustment is 635, the number of the restricted shares which are involved in the unlocking after the adjustment is 51,449,722 shares.

12 PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement will be released on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.crec.cn). The 2024 Annual Report prepared in accordance with the IFRS will be released on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.crec.cn). The 2024 Annual Report and its abstract prepared in accordance with CAS will be released on the website of Shanghai Stock Exchange (www.sse.com.cn) and the website of the Company (www.crec.cn).

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

Beijing, the PRC
28 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.