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If you have sold or transferred all your shares in China Railway Group Limited, you should at once hand this circular and the accompanying form of proxy and the reply slip to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

- (1) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2017
 - (2) PROPOSAL REGARDING THE PLAN FOR SHAREHOLDERS' RETURN FOR 2018 TO 2020
 - (3) PROPOSED PROVISION OF GUARANTEE
 - (4) THE SALARY (REMUNERATION, WORK SUBSIDY) OF DIRECTORS AND SUPERVISORS FOR THE YEAR 2017
 - (5) PROPOSED PURCHASE OF LIABILITIES INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT
 - (6) GENERAL MANDATE TO ISSUE NEW SHARES
 - (7) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
 - (8) PROPOSED AMENDMENTS TO THE PROCEDURAL RULES FOR THE BOARD
- AND
- NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR 2017

A notice convening the AGM to be held at 9:30 a.m. on Monday, 25 June 2018 at the Conference Room, China Railway Square, No. 69 Fuxing Road, Haidian District, Beijing, PRC, is set out on pages 27 to 30 of this circular.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon. For holder of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited in person, by post or by facsimile not less than 24 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjourned meeting should you so wish, but in such event the proxy form shall be deemed to be revoked.

If you intend to attend the AGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited or to the Company's Board of Directors' Office on or before Monday, 4 June 2018.

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DEFINITION

In this circular, unless context otherwise requires, the following expressions have the following meanings:

“A Shares”	ordinary shares of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange and traded in RMB
“AGM”	the annual general meeting for the year 2017 of the Company to be held on Monday, 25 June 2018
“Articles of Association”	the “Articles of Association of China Railway Group Limited” and its amendments from time to time
“Board”	the board of directors of the Company
“Company”	中國中鐵股份有限公司 (China Railway Group Limited), a joint stock limited company incorporated in the PRC and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange (stock code: 390) and the Shanghai Stock Exchange (stock code: 601390), respectively
“Company Law”	the Company Law of the People’s Republic of China
“CSRC”	the China Securities Regulatory Commission
“Directors”	the directors of the Company
“General Mandate”	an unconditional and general mandate proposed to be granted at the AGM to authorise the Board to, among others, issue and deal with new Shares which shall not exceed 20% of each of the existing issued A Shares and H Shares as at the date of passing the proposed resolution at the AGM
“H Shares”	overseas listed foreign shares of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITION

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	7 May 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Procedural Rules for the Board”	the “Procedural Rules for the Board of Directors of China Railway Group Limited” and its amendments from time to time
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council
“Shareholders”	holders of A Shares and/or H Shares
“Shares”	A Shares and/or H Shares
“Supervisors”	the supervisors of the Company
“USD”	United States dollars, the lawful currency of the United States



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)

Executive Directors:

Mr. LI Changjin (*Chairman*)

Mr. ZHANG Zongyan

Mr. ZHOU Mengbo

Mr. ZHANG Xian

Independent Non-executive Directors:

Mr. GUO Peizhang

Mr. WEN Baoman

Mr. ZHENG Qingzhi

Mr. CHUNG Shui90.1(ZHANOI76)-290[(Mi8m<Wpsf7.8BF3p90.oependent)-290.1(Non-executive)-290.1(Dir

(remuneration, work subsidy) of Directors and Supervisors for the year 2017; and (5) proposed purchase of liabilities insurance for Directors, Supervisors and senior management of the Company, and special resolutions will be proposed to approve (6) the

and senior management to satisfy the regulatory requirements for listed company, the Board proposed to purchase the liabilities insurance for Directors, Supervisors and senior management for the year 2018 with a coverage of USD14 million and the insurance premium of RMB104,550 with an aggregate insurance period of 12 months from Huatai Property and Casualty Insurance Company Limited.

The proposal has been considered and approved at the ninth meeting of the fourth session of the Board held on 29 March 2018 and will be proposed at the AGM for the Shareholders to approve by way of ordinary resolution. Meanwhile, the Board will further propose at the AGM to authorise the Board to renew and update the insurance contract with Huatai Property and Casualty Insurance Company Limited on or prior to the expiry of the insurance contract.

7 GENERAL MANDATE TO ISSUE NEW SHARES

A special resolution will be proposed at the AGM by the Board to seek the Shareholders' grant of the General Mandate, details of which are as follows:

- (i) the Board is unconditionally given approval to exercise, during the Relevant Period (as defined below), all powers of the Company to separately or concurrently issue and deal with new A Shares and new H Shares (collectively, the "New Shares") of the Company which shall not exceed 20% of the respective amounts of existing A shares and H shares of the Company as at the date of passing the relevant resolution;
- (ii) pursuant to the approval under paragraph (i) above, the Board is authorised to enter into or make, during the Relevant Period, offers, agreements and/or options, under which the New Shares to be allotted and issued are required or may be required to be allotted and issued during or after the expiry of the Relevant Period, and the Board is authorised to issue and deal with the New Shares that are required or may be required to be allotted and issued under such offers, agreements and options;
- (iii) after the issuance of the New Shares pursuant to the General Mandate, the Board is authorised to deal with all matters relating to the increase in the registered capital of the Company and to make such appropriate and necessary amendments to the articles of association of the Company relating to the share capital, the shareholding structure and the registered capital and other relevant things as they think fit and necessary, to complete domestic and overseas statutory procedures for approval, registration, and filing, and to take any other action and complete any formality required to effect the issuance of New Shares pursuant to the relevant resolution and the increase in

LETTER FROM THE BOARD

- (iv) “Relevant Period” means the period from the date of passing the relevant Shareholders’ resolution in respect of the General Mandate until the earliest of:
- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the 12-month period from the date of passing the relevant Shareholders’ resolution; and
 - (c) the date on which the authorisation granted to the Board in the relevant resolution is revoked or varied by a special resolution of the Shareholders of the Company in general meeting.

The Directors believe that the General Mandate will allow financial flexibility for the Company to raise further funds for its future business development and expansion. Accordingly, the Directors consider that the approval of the grant of the General Mandate is in the interests of the Company and the Shareholders as a whole.

The Board will only exercise the General Mandate, if granted by the Shareholders, in accordance with the Company Law and the Hong Kong Listing Rules or all applicable laws, rules and regulations of any other governmental or regulatory authorities and only if all necessary approvals from CSRC and/or other relevant PRC governmental authorities are obtained. As at the Latest Practicable Date, no definitive plan has been formed by the Board as to when the General Mandate will be exercised, if granted by the Shareholders.

The proposal in relation to granting the General Mandate to issue New Shares to the Board have been considered and approved at the tenth meeting of the fourth session of the Board held on 27 April 2018 and will be proposed at the AGM for the Shareholders to approve by way of special resolution.

8 PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 27 April 2018 in relation to the proposed amendments to the Articles of Association.

Considering relevant situations including the change of company name of the controlling shareholder of the Company due to its enterprise reform, the discrepancy between the business scope of the Company as approved by the company registration authorities and that described in the current Articles of Association, the suggestions from the China Securities Investor Services Centre regarding cumulative voting mechanism for election of Directors or Supervisors, the regulatory requirement from the State Archives Administration on the term of preserving meeting materials, the adjustments to duties of strategy committee under the Board, the institutional reform of the State Council, as well as relevant regulations related to democratic corporate governance, and taking into account the actual situation of the Company, the Board proposed certain amendments to the Articles of Association, details of which are set out in the Appendix II to this circular.

The proposed amendments to the Articles of Association have been considered and approved at the tenth meeting of the fourth session of the Board held on 27 April 2018 and will be proposed at the AGM for the Shareholders to approve by way of special resolution.

9 PROPOSED AMENDMENTS TO THE PROCEDURAL RULES FOR THE BOARD

The Plan for Shareholders' Return for 2018 to 2020 of China Railway Group Limited are written in Chinese and have no formal English version, any English version thereof is for reference only. In case of any discrepancies between the Chinese version and the English version, the Chinese version shall prevail.

The Plan for Shareholders' Return for 2018 to 2020 of China Railway Group Limited

To further enhance the awareness of returning the shareholders and to provide them with continuous, stable and reasonable investment returns, the Company has formulated the shareholders' return plan for 2018 to 2020 after considering the factors such as its strategic development objectives, operation plan, profitability, cash flows and external financing environment, in accordance with the relative laws, regulations and regulatory documents including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Notice Regarding Further Implementation of Cash Dividends Distributions of Listed Companies issued by the China Securities Regulatory Commission, the Listed Companies Regulatory Guidance No. 3 – Cash Dividends Distribution of Listed Companies, the Guidance for Cash Dividend Distribution of SSE-listed Companies by Shanghai Stock Exchange and the Notice Regarding Further Improvement of Cash Dividends Distributions of Listed Companies issued by the Beijing Branch of the China Securities Regulatory Commission, as well as the relevant provisions under the Articles of Association of China Railway Group Limited (the "Articles of Association"). The specific contents of the shareholders' return plan are as follows:

I. Factors to be taken into consideration in the formulation of the shareholders' return plan

The focus of profit distribution of the Company is on the long-term and the sustainable development of the Company while taking the interest of every class of shareholders into account. Based on the Company's strategic development objectives and the shareholders' wishes and having considered various factors including the Company's profitability and cash flow position, the operating development plans and the development phase of the Company, the capital demand, the social capital cost and external financing environment, the Company established a sustainable, stable and scientific return plan and mechanism for investors in accordance with the requirements of the Articles of Association and makes systematic arrangements for the profit distribution in order to ensure the continuity and stability of the profit distribution policies.

II. The principles on which the shareholders' return plan is formulated

1. The Company established this plan in accordance with the relevant laws and regulations including the Company Law, the regulatory requirements and the Articles of Association in relation to the requirements of profit distribution.

III. Details of the shareholders' return plan for the coming three years (2018-2020)

1. Form of profit distribution

The Company may distribute dividends in cash, in shares or in a combination of both cash and shares. Under conditional circumstances, the Company may make interim profit distribution.

2. Conditions for and proportions of profit distribution

(1) Specific conditions for, proportion and intervals of distributing dividends in cash

Provided that the sustainable operation and long-term development of the Company are assured, if the Company's profit for the year and its cumulative undistributed profit are positive and the Company has no significant investment plans or other significant cash expenditures, or other similar matters, the Company may distribute dividend in cash after full appropriation to the statutory reserves and discretionary reserves, the total profit to be distributed in cash in the past three consecutive years will not be less than 30% of the average annual distributable profit realized in the past three years; the profit to be distributed in cash per annum will not be less than 10% of the distributable profit realized for that year. The Company may not distribute dividends in cash in the following exceptional circumstances.:
Where the auditing firm issues a non-standard unqualified audit opinion on

(3) Differentiated policies for cash dividend

In the coming three years, the Board of the Company will take various factors into consideration, including its industry features, development stages, business model and profitability as well as whether it has any substantial capital expenditure arrangement, and propose a differentiated policy for distributing cash dividend pursuant to the procedures stipulated in the Articles of Association of the Company.

IV. The period for formulating the shareholders' return plan and relevant decision-making mechanism

1. The Company shall review the Shareholders' Return Plan in the Next Three Years at least every three years and determine if any amendment is needed for the existing shareholders' return plan.
2. The profit distribution plan of the Company shall be submitted to the board of directors and the supervisory committee for review after it is drafted by the management based on the actual profitability, cash flow, future operating plan and other relevant factors of the Company. The board of directors shall hold a thorough discussion with respect to the reasonableness of the profit distribution plan, and the independent directors shall give their explicit opinions. Upon the review and adoption by the board of directors and the supervisory committee, the profit distribution plan shall be submitted to the general meeting of shareholders for consideration.
3. While establishing the specific plan of cash dividend, the board of directors shall study and identify with caution the timing, conditions and minimum proportion, conditions for adjustment and requirements for decision-making procedures involved in implementing the distribution of cash dividends, etc. Independent directors shall explicitly express their opinions thereon.

Independent directors may collect opinions from minority shareholders for putting forward a profit distribution proposal which can be directly submitted to the board of directors for consideration.

4. Prior to the review of the profit distribution in the general meeting of shareholders of the Company, the Company shall also take the initiative to communicate and share information with shareholders in particular minority shareholders by way of various channels so as to take the opinions and demands of minority shareholders into full consideration and respond timely to the concerns of minority shareholders, and provide access to online voting to shareholders in the general meeting.

5. Where the Company, fails to distribute dividends in cash due to the special circumstances, the board of directors shall make special explanations on the specific reasons for such failure, the accurate usage of the retained profits of the Company, projected investment earnings and other relevant issues, submit such explanations to the general meeting of shareholders for consideration after the independent directors express their opinions, and disclose the same in those media designated by the Company.
6. After the profit distribution plan has been resolved at a general meeting of shareholders of the Company, the board of directors shall complete dividend (or share) distribution within two months after the general meeting of shareholders.
7. The Company may make adjustment on the profit distribution policies in the event of force majeure including the outbreaks of wars, natural disasters, or the material impact on the production and operation of the Company as a result of the external operating environmental changes, or the substantial changes in the Company's operating condition.

The board of directors shall conduct specific detailed discussion over the grounds for the adjustment on the profit distribution policies, form a written report tofor formdistribute c

The Articles of Association are written in Chinese and have no formal English version, any English version thereof is for reference only. In case of any discrepancies between the Chinese version and the English version, the Chinese version shall prevail.

Details of the proposed amendments to the Articles of Association are set out below:

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 2, Chapter 1	Article 2, Chapter 1	Article 2 The promoter of the Company: China Railway Engineering Corporation.	Article 2 The promoter of the Company: China Railway Engineering Corporation. <u>On 28 December 2017, China Railway Engineering Corporation completed its enterprise reform registration and changed its company name to “China Railway Engineering Group Company Limited”.</u>

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 11, Chapter 2	Article 11, Chapter 2	<p>Article 11 The business scope of the Company shall be subject to the approval of the company registration authority.</p> <p>The business scope of the Company covers: Contracting of civil engineering and construction, wiring, pipe fitting and equipment installation; sub-contracting of the survey, design, building, construction supervision, technology consultation, technology development, technology transfer and technical service in connection with abovementioned items; research, manufacturing, sales and leasing of machinery facilities, apparatus, component, steel girder, steel structure and building materials designed for civil engineering; temporary passenger and cargo transport and related services prior to the formal testing and delivery for operation of newly-built railways; contracting of overseas projects and domestic foreign invested projects in the industry; real estate development and operation, resource development, trade</p>	

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 113, Chapter 8	Article 113, Chapter 8	<p data-bbox="619 368 973 549">Article 113 The name list of candidates for directors and supervisors shall be included in a proposal to be submitted to the general meeting of shareholders for voting.</p> <p data-bbox="619 591 938 734">According to the provisions of the Articles or a resolution of the general meeting of shareholders, cumulative voting system may</p>	

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
			<p>(3) <u>In the election of supervisors, each shareholder present at the meeting is entitled to such number of votes as equity to the number of shares held by it multiplied by the number of supervisors to be</u></p>

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
			<p data-bbox="1002 368 1353 693">2. <u>The election of directors and/or supervisors shall depend on the number of votes obtained, which shall be no less than half (1/2) of the total voting rights entitled to the shareholders present at the general meeting of the shareholders.</u></p> <p data-bbox="1002 740 1342 959">3. <u>Before voting for the candidates of directors and/or supervisors at the general meeting of shareholders, the chairman of the meeting shall expressly inform the</u></p>

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 114, Chapter 8	Article 114, Chapter 8	<p>Article 114 Methods and procedures to nominate directors and supervisor are as follows:</p> <p>(1) shareholders holding, individually or jointly, more than 3% in the total number of the outstanding voting shares of the Company may put forward in a written proposal to the general meeting of shareholders the candidates of directors and supervisors to be appointed from those other than the employee representatives, provided that the number of persons nominated must comply with the provisions of the Articles and be not more than the number of persons contemplated to be elected. The said proposal put forward by the shareholders to the Company shall be sent to the Company at least fourteen (14) days prior to the date of the general meeting of shareholders;</p> <p>(2) the board of directors and the supervisory committee may, within the scope of the number of persons as provided in the Articles, formulate a proposed name list of the candidates of directors and supervisors according to the number of persons contemplated to be elected, and put forward the said list in a written proposal to the general meeting of shareholders;</p> <p>.....</p>	<p>Article 114 Methods and procedures to nominate directors and supervisor are as follows:</p> <p>(1) shareholders holding, individually or jointly, more than 3% in the total number of the outstanding voting shares of the Company may put forward in a written proposal to the general meeting of shareholders the candidates of <u>non-independent</u> directors and supervisors to be appointed from those other than the employee representatives, provided that the number of persons nominated must comply with the provisions of the Articles and be not more than the number of persons contemplated to be elected. The said proposal put forward by the shareholders to the Company shall be sent to the Company at least fourteen (14) days prior to the date of the general meeting of shareholders;</p> <p>(2) the board of directors and the supervisory committee may, within the scope of the number of persons as provided in the Articles, formulate a proposed name list of the candidates of directors and supervisors <u>who are not employee representatives</u> according to the number of persons contemplated to be elected, and put forward the said list in a written proposal to the general meeting of shareholders;</p> <p>.....</p>

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 150, Chapter 10	Article 150, Chapter 10	<p>Article 150 The major duties of the strategy committee of the board of directors shall be:</p> <p>.....</p> <p>(3) To be responsible for the establishment of the rule-of-law and compliance management system of the Company. To review the rule-of-law work plan, material rule-of-law system and compliance management system and handbook, analyse significant compliance risk issues, cultivate compliance culture and listen to the work report on law-based corporate governance and compliance management;</p> <p>(4) Other functions and powers delegated by the board of directors</p>	<p>Article 150 The major duties of the strategy committee of the board of directors shall be:</p> <p>.....</p> <p>(3) <u>To study and provide suggestions on mergers and acquisitions issues and projects;</u></p> <p>(4) <u>To study domestic and offshore capital markets and provide suggestions on market capitalisation management;</u></p> <p>(5) To be responsible for the establishment of the rule-of-law and compliance management system of the Company. To review the rule-of-law work plan, material rule-of-law system and compliance management system and handbook, analyse significant compliance risk issues, cultivate compliance culture and listen to the work report on law-based corporate governance and compliance management;</p> <p>(6) Other functions and powers delegated by the board of directors.</p>

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 168, Chapter 10	Article 168, Chapter 10	Article 168 Theminutesshall be kept as a file of the Company <u>for no less than ten years.</u>	Article 168 Theminutesshall be kept as a file of the Company <u>permanently.</u>
Article 171, Chapter 11	Article 171, Chapter 11	Article 171 (xi) being responsible for the daily contact between the board of directors, State-owned Assets Supervision and Administration Committee <u>and the supervisory committee of State-owned enterprises;</u> 	Article 171 (xi) being responsible for the daily contact between the board of directors, State-owned Assets Supervision and Administration Committee;
Article 197, Chapter 13	Article 197, Chapter 13	Article 197 Minutes of the supervisory committee shall be filed with the Company and shall be kept <u>for at least ten years.</u>	Article 197 Minutes of the supervisory committee shall be filed with the Company and shall be kept <u>permanently.</u>

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 251, Chapter 17	Article 251, Chapter 17	Article 251 Pursuant to the Constitution of Communist Party of China, the Company shall establish an organization of the Communist Party of China ("Party"), which shall play the role as <u>the core of leadership, and the political nucleus</u> , and take charge of the direction and overall situation and ensure the implementation of policies. The Company shall establish a work institution of the Party with a sufficient number of personnel responsible for the Party affairs and guarantee the working funds of the Party organization.	Article 251 Pursuant to the Constitution of Communist Party of China, the Company shall establish an organization of the Communist Party of China ("Party"), which shall play the role of <u>leadership</u> , and take charge of the direction and overall situation and ensure the implementation of policies. The Company shall establish a work institution of the Party with a sufficient number of personnel responsible for the Party affairs and guarantee the working funds of the Party organization.
Chapter 18	Chapter 18	Chapter 18 Labour and Democratic <u>Employee</u> Management	Chapter 18 Labour and Democratic <u>Enterprise</u> Management
	Article 257, Chapter 18 (new alee t90ISQ.4TD)	(68cm-8tfy60ISQBT24q1001375.59t2sr)-290.2	(1any)-290.2(shb)-290.2(rodjustedr)-290.2(1accrty)-290d-29ly0.2(alecratic)

The Procedural Rules for the Board are written in Chinese and have no formal English version, any English version thereof is for reference only. In case of any discrepancies between the Chinese version and the English version, the Chinese version shall prevail.

Details of the proposed amendments to the Procedural Rules for the Board are set out below:

Article No. before the Amendment	Article No. after the Amendment	Articles before the	

APPENDIX III PROPOSED AMENDMENTS TO THE PROCEDURAL RULES
FOR THE BOARD

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 12, Chapter 2	Article 14, Chapter 2	<p>Article 12</p> <p>The supervisors may attend the meetings of the board of directors as non-voting attendees; the presidents and the secretary to the board of directors shall attend the meetings of the board of directors as non-voting attendees. The chairman of the meeting may, if he/she deems necessary, notify other relevant personnel to attend a meeting of the board of directors as non-voting attendees.</p>	<p>Article 14</p> <p><u>The secretary of the Party's discipline committee and</u> the supervisors may attend the meetings of the board of directors as non-voting attendees; the presidents and the secretary to the board of directors shall attend the meetings of the board of directors as non-voting attendees. The chairman of the meeting may, if he/she deems necessary, notify other relevant personnel to attend a meeting of the board of directors as non-voting attendees.</p>
Article 19, Chapter 3	Article 21, Chapter 3	<p>Article 19 Each of the proposals shall, upon sufficient discussion on it, be submitted by the chairman of the meeting in a timely manner to the directors participating in the meeting for voting on such proposals one by one.</p> <p>Each member of the board of directors shall have one vote at the meetings, and may exercise their voting rights by open ballot or in writing.</p>	<p>Article 21 <u>The board of directors adopts a decision-making system of collective deliberation, independent voting and individual responsibility.</u> Each of the proposals shall, upon sufficient discussion on it, be submitted by the chairman of the meeting in a timely manner to the directors participating in the meeting for voting on such proposals one by one.</p> <p>Each member of the board of directors shall have one vote at the meetings, and may exercise their voting rights by open ballot or in writing.</p>

Article No. before the Amendment	Article No. after the Amendment	Articles before the Amendment	Articles after the Amendment
Article 37, Chapter 3	Article 39, Chapter 3	Article 37 The chairman of the board of directors shall supervise and inspect the implementation by the relevant personnel of resolutions of the board of directors and shall report on the same at the forthcoming board meeting. The chairman of the board of directors may authorise another director to supervise and inspect the implementation of resolutions of the board of directors.	Article 39 The chairman of the board of directors shall supervise and inspect the implementation by the relevant personnel of resolutions of the board of directors, <u>conduct an assessment after passing the resolutions</u> and shall report on the same at the forthcoming board meeting. The chairman of the board of directors may authorise another director to supervise and inspect the implementation of resolutions of the board of directors.
Article 40, Chapter 3	Article 42, Chapter 3	Article 40	



中國中鐵股份有限公司
CHINA RAILWAY GROUP LIMITED

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NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR 2017

NOTICE IS HEREBY GIVEN that the 2017 Annual General Meeting (“AGM”) of China Railway Group Limited (the “Company”) will be held at Conference Room, China Railway Square, No. 69 Fuxing Road, Haidian District, Beijing, PRC on Monday, 25 June 2018 at 9:30 a.m. to consider and approve the following as appropriate:

By way of ordinary resolutions:

1. To consider and approve the report of the Board of Directors of the Company for the year ended 31 December 2017.
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2017.
3. To consider and approve the work report of independent directors of the Company for the year ended 31 December 2017.
4. To consider and approve the 2017 A share annual report and the abstract, H share annual report and results announcement for the year of 2017 of the Company.
5. To consider and approve the audited consolidated financial statements of the Company for the year ended 31 December 2017.
6. To consider and approve the profit distribution plan of the Company for the year ended 31 December 2017.
7. To consider and approve the proposal regarding The Plan for Shareholders' Return for 2018 to 2020 of China Railway Group Limited.
8. To consider and approve the proposal in relation to the engagement of the auditors for 2018, re-appointment of PricewaterhouseCoopers as the Company's international auditors and PricewaterhouseCoopers Zhong Tian LLP as the Company's domestic auditors for 2018 for a term ending at the next annual general meeting of the Company, the aggregate remuneration shall be RMB33.30 million.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR 2017

9. To consider and approve the proposal in relation to the appointment of internal control auditors for 2018, re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the internal control auditors of the Company for 2018 for a term ending at the next annual general meeting of the Company, the remuneration shall be RMB1.80 million.
10. To consider and approve the proposal in relation to the total amount of the provision of external guarantee by the Company for July 2018 to June 2019.
11. To consider and approve the proposal on the salary (remuneration, work subsidy) of directors and supervisors of the Company for the year of 2017.
12. To consider and approve the proposal on the purchase of liabilities insurance for directors, supervisors and senior management of the Company for the year of 2018.

By way of special resolutions:

13. To consider and approve the proposal on granting a general mandate to issue new shares to the board of directors of the Company (the “Board” or the “Board of Directors”), details of which are as follows:
 - (i) the Board is unconditionally given approval to exercise, during the Relevant Period (as defined below), all powers of the Company to separately or concurrently issue and deal with new A Shares and new H Shares (collectively, the “New Shares”) of the Company which shall not exceed 20% of the respective amounts of existing A shares and H shares of the Company as at the date of passing the relevant resolution;
 - (ii) pursuant to the approval under paragraph (i) above, the Board is authorised to enter into or make, during the Relevant Period, offers, agreements and/or options, under which the New Shares to be allotted and issued are required or may be required to be allotted and issued during or after the expiry of the Relevant Period, and the Board is authorised to issue and deal with the New Shares that are required or may be required to be allotted and issued under such offers, agreements and options;
 - (iii) after the issuance of the New Shares pursuant to the General Mandate, the Board is authorised to deal with all matters relating to the increase in the registered capital of the Company and to make such appropriate and necessary amendments to the articles of association of the Company relating to the share capital, the shareholding structure and the registered capital and other relevant things as they think fit and necessary, to complete domestic and overseas statutory procedures for approval, registration, and filing, and to take any other action and complete any formality required to effect the issuance of New Shares

pursuant to the relevant resolution and the increase in the registered capital of the Company. The Board is authorised to re-delegate the authorisation herein to the persons delegated by the Board to sign, execute, modify, complete, submit all agreements, contracts and documents in relation to the allotment and issuance of and dealing with the New Shares under the General Mandate, unless otherwise stipulated by laws or regulations; and

(iv) “Relevant Period” means the period from the date of passing the relevant Shareholders’ resolution in respect of the General Mandate until the earliest of:

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the 12-month period from the date of passing the relevant Shareholders’ resolution; and

(c) the date on which the authorisation granted to the Board in the relevant resolution is revoked or varied by a special resolution of the Shareholders of the Company in general meeting.

14. To consider and approve the proposed amendments to the Articles of Association of the Company as set out in the Appendix II to the circular of the Company dated 11 May 2018.

15. To consider and approve the proposed amendments to the Procedural Rules for the Board of the Company as set out in the Appendix III to the circular of the Company dated 11 May 2018.

By Order of the Board
China Railway Group Limited
Yu Tengqun Tam Chun Chung
Joint Company Secretaries

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR 2017

Holders of H shares who wish to attend the AGM but have not registered the transfer documents are required to deposit the transfer document together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong at or before 4:30 p.m., Monday, 4 June 2018.

2. Registration procedures for attending the AGM

Shareholders attending the AGM in person or by proxy shall present their identity certification. If the attending shareholder is the authorised legal representative of the Company's shareholder, the Board or other decision making authority, then such attending shareholder shall present a copy of the relevant resolution of the Board or other decision making authority appointing it as its authorised legal or official representative in order to attend the AGM on behalf of such company.

3. Notice of attendance

Shareholders who intend to attend the AGM in person or by proxy should return the reply slip in person, by post or by facsimile to the Company's Board of Directors' Office or Computershare Hong Kong Investor Services Limited on or before Monday, 4 June 2018.

The Company's Board of Directors' Office is located at Room 511, Block A, China Railway Square, No. 69 Fuxing Road, Haidian District, Beijing 100039, PRC (Contact Persons: Ms. DUAN Yinhua/Mr. LI Qiang, Tel: (8610) 5187 8069/5187 8061, Fax: (8610) 5187 8417).

The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Tel: (852) 2862 8555, Fax: (852) 2865 0990).

4. Proxy

Shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote in their stead. A proxy need not be a shareholder of the Company.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised in writing. If the shareholder is a corporate body, the proxy form must be either executed under its common seal or under the hand of its director(s) or duly authorised attorney(s). If the proxy form is signed by an attorney of the shareholder, the power of attorney authorising that attorney to sign or other authorisations document must be notarised.

To be valid, the proxy form (and if such proxy form is executed by a person under a power of attorney or other authorisation documents, then together with such power of attorney or authorisation documents, or a copy thereof certified by a notary) must be delivered to Computershare Hong Kong Investor Services Limited (for holders of H shares) not less than 24 hours before the designated time for the holding of the AGM.

Completion and return of a form of proxy will not preclude a shareholder from attending in person and voting at the AGM if he so wishes, but in such event the proxy form shall be deemed to be revoked.

5. Other business

Shareholders and their proxies attending the AGM shall be responsible for their own travelling and accommodation expenses.