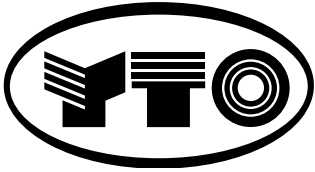


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第一拖拉机股份有限公司
FIRST TRACTOR COMPANY LIMITED*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0038)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

This announcement is made pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

In order to fulfil the casual vacancy after the resignation of Mr. Zhang Qiusheng as an independent non-executive Director, the board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that the Company proposes to appoint Mr. Yu Zengbiao as an independent non-executive Director, with a term of office from the date of approval of his appointment by the shareholders of the Company at the 2013 annual general meeting of the Company (the “**AGM**”) to 19 December 2015.

Details of the above proposed Director are as follows:

MR. YU ZENGBIAO (于增彪先生)

Mr. Yu Zengbiao, aged 58, is a PhD in economics (accounting), a professor of Tsinghua University, a doctoral supervisor, and a certified public accountant of the PRC. Mr. Yu worked at Hebei University from January 1996 to March 1999, serving as the first dean of Management Faculty, head of Accounting Department and a member of the academic board of the Hebei University. After that, Mr. Yu has served as a professor and doctoral supervisor in Tsinghua University since November 1999. He also serves as the independent directors of China Liancheng Orchid Co., Ltd.* (中國連城蘭花有限公司), Zhencai Stationery Co., Ltd.* (真彩文具股份公司), Bank of Kunlun* (昆侖銀行) and China Valves Technology Inc. (NASDAQ: CVVT). Mr. Yu studied in doctoral courses jointly supervised by Xiamen University and University of Illinois, US from November 1990 to July 1993, and graduated with a doctoral degree in economics (accounting) issued by Xiamen University. Mr. Yu has profound theoretical basis and abundant practical experience in accounting management, comprehensive budget management, design of internal control system, design and assessment of strategic management and control mechanism, etc.

Save as disclosed above, Mr. Yu does not hold any positions in the Company or any other members of the Company, nor did he hold any directorship in any other listed companies in the last three years.

LENGTH OF SERVICE AND EMOLUMENT

If Mr. Yu Zengbiao is appointed as an independent non-executive Director, he will enter into a service contract with the Company for a term of office from the date of approval of his appointment by the shareholders of the Company at the AGM to 19 December 2015. Pursuant to the “Remuneration Proposals for the Directors of the Sixth Board and Supervisors of the Sixth Supervisory Committee” as approved at the fourth extraordinary general meeting of the Company held on 20 December 2012, the Company will pay a remuneration (i.e. RMB60,000 per year) to Mr. Yu Zengbiao, which was determined with reference to the duties and responsibilities of Director in the Company and market rates of the position.

RELATIONSHIPS

Save as disclosed above, Mr. Yu Zengbiao does not have relationship with any Directors, supervisors or senior management of the Company or with any substantial shareholders or controlling shareholders of the Company.

INTEREST IN THE SHARES OF THE COMPANY

So far as the Directors are aware, as at the date hereof, Mr. Yu Zengbiao does not have any interest in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance).

MATTERS THAT NEED TO BE BROUGHT TO THE ATTENTION OF THE SHAREHOLDERS OF THE COMPANY

In relation to the appointment of Mr. Yu Zengbiao as an independent non-executive Director, there is no information which is discloseable nor is/was Mr. Yu Zengbiao involved in any of the matters required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

The appointment of Mr. Yu Zengbiao is subject to the approval at the AGM.

OPINION OF THE BOARD

Since the above appointment of independent non-executive Director is fair and reasonable and in the interests of the Company and its shareholders as a whole, the Board recommends the shareholders of the Company to vote for the related ordinary resolution to be proposed at the AGM.

AGM

The Company will convene the AGM for the purpose of, among other things, seeking the Company's shareholders' approval for the appointment of Mr. Yu Zengbiao as an independent non-executive Director. At the AGM, voting for the proposed ordinary resolution shall be conducted by way of poll. A notice of the AGM will be dispatched to the shareholders as soon as possible.

By Order of the Board
FIRST TRACTOR COMPANY LIMITED*
YU Lina
Company Secretary

Luoyang, the PRC
27 March 2014

As at the date of this announcement, Mr. Zhao Yanshui is the Chairman of the Company and Mr. Wang Erlong is the vice Chairman of the Company. Other members of the Board are four Directors, namely, Mr. Yan Linjiao, Mr. Guo Zhiqiang, Mr. Liu Jiguo and Mr. Wu Yong; and four independent non-executive Directors, namely, Mr. Hong Xianguo, Mr. Zhang Qiusheng, Mr. Xing Min and Mr. Wu Tak Lung.

* *For identification purposes only*