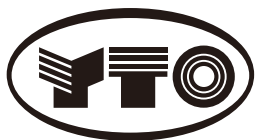


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第一拖拉机股份有限公司
FIRST TRACTOR COMPANY LIMITED*

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

(Stock Code: 0038)

**ANNOUNCEMENT ON RECEIPT OF
NO-OBJECTION LETTER FROM THE SHANGHAI STOCK
EXCHANGE IN RESPECT OF THE NON-PUBLIC ISSUANCE OF
EXCHANGEABLE CORPORATE BONDS BY
THE CONTROLLING SHAREHOLDER OF THE COMPANY**

The board (the “**Board**”) of directors (the “**Directors**”) of First Tractor Company Limited* (the “**Company**”) and all Directors warrant that there are no false information, misleading statements or material omissions in this announcement, and accept joint and several responsibilities for the truthfulness, accuracy and completeness of its contents.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

YTO Group Corporation* (中國一拖集團有限公司) (“**YTO**”), the controlling shareholder of the Company, has proposed to issue exchangeable corporate bonds (the “**Exchangeable Bonds**”) by using part of the A shares of the Company held by it as the underlying subject for exchange. For details, please refer to the announcement published by the Company on 5 January 2018.

Recently, the Company was notified by YTO that it had received the No-objection Letter Concerning the Listing and Transfer of the Exchangeable Corporate Bonds of YTO Group Corporation* Issued by Way of Non-public Issuance (Shang Zheng Han [2018] No. 665) from the Shanghai Stock Exchange in respect of the issuance of the Exchangeable Bonds.

The Company will make further announcement(s) in relation to the progress of the Exchangeable Bonds in accordance with the requirements of the Listing Rules as and when appropriate.

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

Luoyang, the PRC
4 July 2018

As at the date of this announcement, the Board comprises Mr. Zhao Yanshui (Chairman), Mr. Wang Erlong (vice Chairman) and Mr. Wu Yong as executive Directors; Mr. Li Hepeng, Mr. Xie Donggang, Mr. Li Kai and Mr. Yin Dongfang as non-executive Directors; and Ms. Yang Minli, Mr. Xing Min, Mr. Wu Tak Lung and Mr. Yu Zengbiao as independent non-executive Directors.

* *For identification purposes only*