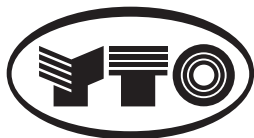


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第一拖拉机股份有限公司^{*}
FIRST TRACTOR COMPANY LIMITED

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

(Stock Code: 0038)

ANNOUNCEMENT ON THE
(1) RESIGNATION OF A NON-EXECUTIVE DIRECTOR
AND MEMBER OF REMUNERATION COMMITTEE
AND
(2) PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR

The board of directors (the “**Board**”) of First Tractor Company Limited* (the “**Company**”) and all members of the Board warrant that there are no false representations, misleading statements or material omissions in this announcement, and are severally and jointly responsible for the truthfulness, accuracy and completeness of the content herein.

The Board of the Company recently received a letter of resignation from Mr. Li Kai, a non-executive Director of the Company. Mr. Li Kai applied to resign as a non-executive Director and a member of the Remuneration Committee due to work requirement. Upon his resignation, he will no longer hold any position in the Company.

On 1 April 2019, the Company held the sixth meeting of the eighth session of the Board, at which the Resolution in relation to Nomination of Candidates for Executive Directors of the Eighth Board of the Company was considered and approved, pursuant to which the nomination of Mr. Cai Jibo as a candidate for an executive Director of the eighth Board of the Company for a term commencing from the date of approval of the Shareholders of the Company at the relevant extraordinary general meeting of the Company (i.e. 25 April 2019) until the expiry of the term of office of the current Board (i.e. 28 October 2021) was approved.

The resignation of Mr. Li Kai as a non-executive Director and a member of the Remuneration Committee has taken effect on 30 March 2019. Mr. Li Kai has confirmed that he has no disagreement with the Board of the Company, and there are no other matters in relation to his resignation that need to be brought to the attention of the Shareholders of the Company.

According to the related requirements of the Company Law of the People's Republic of China and the Articles of Association, the resignation of Mr. Li Kai, a non-executive Director, will not result in the number of members of the Board of the Company being less than the minimum legal requirement, and hence the operation of the Board will not be affected.

The Board would like express its appreciation to Mr. Li Kai for his diligence and commitment and valuable contributions to the Company during his tenure of office.

The appointment of Mr. Cai Jibo as an executive Director of the Company is subject to the approval of the Shareholders of the Company at an extraordinary general meeting of the Company (“EGM”).

The biographical details of Mr. Cai Jibo are set out below:

Mr. Cai Jibo, aged 49, senior engineer and senior international business operator entitled to a special allowance provided by the State Council, currently serves as the vice chairman and deputy Party secretary of YTO Group Corporation. He served as the general manager of SUMEC Hardware & Tools Co., Ltd., vice general manager of China Jiangsu Machinery Equipment Import & Export Corporation; a director, the general manager and the deputy Party secretary of SUMEC Group Corporation; and a director, the general manager and the deputy Party secretary of SUMEC Corporation Limited (SH600710). Mr. Cai successively studied at Jiangsu Institute of Technology and Jiangsu University and obtained a bachelor degree in engineering and a doctorate in management therefrom respectively. He has rich experience in business administration and foreign trade.

Save as disclosed above, Mr. Cai Jibo (i) does not hold any positions in any other members of the Group; (ii) does not have any relationship with any Directors, Supervisors, senior management, substantial Shareholders or controlling Shareholders of the Company; (iii) has not held any directorships in any other listed companies for the past three years; and (iv) does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, as at the date of this announcement, there is no other matter relating to the appointment of Mr. Cai Jibo that needs to be brought to the attention of the Shareholders nor is there any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The remuneration for Mr. Cai Jibo as an executive Director will be paid according to the remuneration plan for the Directors of the Eighth Board of the Company. Mr. Cai Jibo's social insurances such as pension insurance, unemployment insurance and medical insurance as well as housing accumulation fund will be managed according to the relevant national regulations.

The EGM will be held for the purposes of, among other things, seeking the Shareholders' approval on the appointment of the proposed Directors, including Mr. Cai Jibo. At the EGM, voting on the proposed ordinary resolutions will be conducted by way of poll.

The notice of the EGM has been despatched to the Shareholders on 8 March 2019, and a supplemental notice of the EGM on the proposed resolution for the proposed appointment of Mr. Cai Jibo as an executive Director will be despatched on 4 April 2019. A circular containing, among other things, details of the appointment of the proposed Directors to the Eighth Board, has been despatched to the Shareholders on 15 March 2019, and a supplemental circular containing details of the proposed appointment of Mr. Cai Jibo as an executive Director will be despatched to the Shareholders on 4 April 2019.

By Order of the Board
First Tractor Company Limited*
YU Lina
Company Secretary

Luoyang, the PRC
2 April 2019

As at the date of this announcement, the Board comprises Mr. Wu Yong (vice Chairman) as executive Director; Mr. Li Hepeng, Mr. Xie Donggang and Mr. Zhou Honghai as non-executive Directors; and Mr. Yu Zengbiao, Ms. Yang Minli, Ms. Wang Yuru and Mr. Edmund Sit as independent non-executive Directors.

* *For identification purposes only*