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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 RESIGNATION OF THE
CHAIRMAN OF THE BOARD OF SUPERVISORS AND
ELECTION OF A SUPERVISOR AND THE INCLUSION
OF A PROVISIONAL PROPOSAL AT THE 2021 SECOND
EXTRAORDINARY GENERAL MEETING
ON 2 NOVEMBER 2021**

**RESIGNATION OF THE CHAIRMAN OF THE BOARD OF SUPERVISORS
AND ELECTION OF A SUPERVISOR**

The board of supervisors of First Tractor Company Limited* (the “**Company**”) has recently received the written resignation from Mr. Wang Dongxing. Due to work rearrangement, Mr. Wang Dongxing has tendered his resignation, resigning from the office of chairman of the board of supervisors and a supervisor of the Company. After resignation, Mr. Wang Dongxing will cease to hold any position in the Company. Mr. Wang Dongxing’s resignation took effect on 15 October 2021.

Mr. Wang Dongxing has confirmed that he has no disagreement with the board of supervisors and the board of directors of the Company, and there were no other matters that need to be brought to the attention of 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 of the Company, the resignation of Mr. Wang Dongxing will not result in the number of the members of the board of supervisors of the Company falling below the statutory minimum and will not affect the lawful and usual operation of the board of supervisors of the Company.

The seventeenth meeting of the eighth session of the board of supervisors of the Company was held on 15 October 2021 by way of telecommunication, at which the Resolution on Nomination of the Candidate for a Supervisor of the Eighth Session of the Board of Supervisors of the Company was considered and approved. It was approved to nominate Mr. Yang Yu as the candidate for supervisor and submit the proposal to the general meeting of the Company for consideration.

The biographical details of Mr. Yang Yu are set out as bellow:

Mr. Yang Yu, aged 47, a senior engineer, currently serves as a member of the Standing Committee of Party Committee of and the secretary of the Discipline Inspection Commission of YTO Group Corporation* (中國一拖集團有限公司). Mr. Yang joined YTO Group Corporation* in September 2021. He once served as the assistant to general manager and a member of the Discipline Inspection Commission of China National Electric Apparatus Research Institute Co., Ltd. (the shares of which are listed on the Shanghai Stock Exchange); and the secretary of the Discipline Inspection Commission and a member of the Party Committee of Guilin Electrical Equipment Scientific Research Institute Co., Ltd.. Mr. Yang once studied at Zhejiang University and holds a bachelor's degree in engineering. Mr. Yang has extensive experience in the fields such as corporate management, scientific research, test, discipline inspection and supervision, etc.

Save as disclosed above, Mr. Yang does not hold any position 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.

Tenure and Remuneration

If Mr. Yang is appointed as a supervisor, his term of office shall be from the date of the EGM (as defined in the section headed "INCLUSION OF A PROVISIONAL PROPOSAL AT THE EGM" of this announcement) to the expiry of the eighth session of the board of supervisors of the Company. Mr. Yang, as a supervisor, will be remunerated according to the remuneration plan for the supervisors of the eighth session of the board of supervisors of the Company.

Relationship

Save as disclosed above, Mr. Yang has no relationship with any directors, supervisors or senior management of the Company or with any substantial or controlling shareholders of the Company.

Interest in Shares

So far as the directors are aware, as at the date of this announcement, Mr. Yang does not have any interest in the shares of the Company (as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)).

Matters that Need to be Brought to the Attention of the Shareholders of the Company

In relation to the appointment of Mr. Yang as a supervisor of the Company, there is no information required to be disclosed pursuant to any of the requirements under Rules 13.51(2) (h) to 13.51(2) (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and there is no matters that need to be brought to the attention of the shareholders.

INCLUSION OF A PROVISIONAL PROPOSAL AT THE EGM

A notice for, among other things, convening the 2021 second extraordinary general meeting (the “**EGM**”) of the Company to be held at 2:00 p.m. on Tuesday, 2 November 2021 at No. 154 Jianshe Road, Luoyang, Henan Province, the People’s Republic of China (the “**PRC**”) was sent to shareholders on 16 September 2021.

According to Article 81 of the Articles of Association of the Company, shareholders individually or jointly holding more than 3% of the Company’s shares may raise a provisional proposal and submit it to the board of directors in writing 10 days prior to the date of the general meeting. The board of directors shall issue a supplemental notice of general meeting announcing the contents of the provisional proposal within 2 days upon receipt of the proposal.

The Board has recently received a letter from YTO Group Corporation, the controlling shareholder of the Company (individually or jointly holding 48.81% of the shares), requesting for the inclusion of an ordinary resolution at the EGM. Pursuant to Article 81 of the Articles of Association, the board of directors has agreed that an additional ordinary resolution will be proposed at the EGM for consideration and approval by shareholders.

The following ordinary resolution will be proposed at the EGM as Ordinary Resolution No. 6:

ORDINARY RESOLUTION

“6 To consider and approve the resolution regarding the election of a supervisor of the Company.”

A supplemental notice for convening the EGM containing the above-mentioned provisional proposal, together with a revised proxy form, is expected to be despatched to the holders of H shares of the Company on or before 18 October 2021.

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

Luoyang, the PRC
15 October 2021

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

* *For identification purposes only*