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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)

**CONTINUING CONNECTED TRANSACTIONS
ADJUSTMENT TO THE ANNUAL CAP AMOUNTS FOR 2022
OF THE MATERIAL PROCUREMENT AGREEMENT AND
COMPOSITE SERVICES AGREEMENT**

BACKGROUND

As the sales volume of the medium and large tractor products of the Company increased by approximately 18.31% in the first half of 2022 and the Company's material procurement and transportation services from YTO also increased significantly, the Company intends to increase the annual cap amounts for 2022 under the Material Procurement Agreement and the Composite Services Agreement, respectively.

**IMPLICATIONS UNDER THE HONG KONG LISTING RULES AND
THE SHANGHAI LISTING RULES**

As at the date of this announcement, YTO beneficially owned approximately 48.81% of the issued share capital of the Company and is the controlling shareholder of the Company. Accordingly, the transactions contemplated under the Material Procurement Agreement and the Composite Services Agreement (including the proposed revised annual cap amounts for 2022) entered into between the Company and YTO constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the applicable percentage ratios for the adjusted annual cap amount for 2022 under the Composite Services Agreement are more than 0.1% but less than 5%, the adjustment to the annual cap amount for 2022 under the Composite Services Agreement is subject to the reporting and announcement requirements but is exempt from the Independent Shareholders' approval requirement pursuant to Chapter 14A of the Hong Kong Listing Rules.

As the applicable percentage ratios for the adjusted annual cap amount for 2022 under the Material Procurement Agreement are more than 5%, the adjustment to the annual cap amount for 2022 under the Material Procurement Agreement is subject to the reporting, annual review and announcement requirements and the requirement to obtain approval from the Independent Shareholders under Chapter 14A of the Hong Kong Listing Rules.

As the A Shares of the Company are listed on the Shanghai Stock Exchange, the Company is also required to comply with relevant requirements of the Shanghai Listing Rules. Pursuant to the relevant provisions of the Shanghai Listing Rules, the proposed adjustment to the annual cap amounts for 2022 under the Material Procurement Agreement and the Composite Services Agreement, respectively, are subject to the Independent Shareholders' approval. Accordingly, the Company proposes to submit the resolutions regarding the adjustment to the annual cap amounts for 2022 under each of the Material Procurement and the Composite Services Agreement for approval by Independent Shareholders at the EGM.

EGM

The Company proposes to convene the EGM in November 2022 and submit the relevant resolutions regarding the adjustment to the annual cap amounts for 2022 under the Material Procurement and the Composite Services Agreement, respectively, for approval by Independent Shareholders.

A circular containing (among others) the details of the adjustment to the annual cap amounts for 2022 under the Material Procurement Agreement and the Composite Services Agreement, respectively, is expected to be dispatched by the Company to the Shareholders as soon as practicable.

I. BACKGROUND

Reference is made to the announcement and the circular of the Company dated 25 August 2021 and 12 October 2021, respectively, in relation to, among other things, the Material Procurement Agreement and the Composite Services Agreement. The Material Procurement Agreement and the Composite Services Agreement and the transactions (including the respective annual caps for 2022 to 2024) contemplated thereunder were approved by the then Independent Shareholders at the 2021 second extraordinary general meeting held on 2 November 2021.

As the sales volume of the medium and large tractor products of the Company increased by approximately 18.31% in the first half of 2022 and the Company's material procurement and transportation services from YTO also increased significantly, the Company intends to increase the annual cap amounts for 2022 under the Material Procurement Agreement and the Composite Services Agreement.

II. MATERIAL PROCUREMENT AGREEMENT

Details of the major terms of the Material Procurement Agreement and its proposed revised annual cap amounts are as follows:

- Date** : 25 August 2021
- Parties** :
- YTO, on behalf of YTO Group, associates of YTO, Sinomach and the subsidiaries and associates of Sinomach, as supplier and/or supplying agent; and
 - The Company, on behalf of the Group, as purchaser and/or purchasing agent.
- Goods to be provided** : Goods required for the production and operation of the Group, including but not limited to raw materials (including steel, pig iron, waste steel, coke, nonferrous metals and lubricating oil), other industrial equipment (including machine tools), components (including clamping apparatus and moulds) and spare parts (including oil injection pumps).

Term : From 1 January 2022 to 31 December 2024.

Payment terms : Shall be principally settled within three months from the date of confirmation of receiving the goods by the purchaser. Subject to negotiations between the parties, prepayments by the purchaser of no more than six months from the estimated date of delivery of the goods are acceptable.

These payment terms were usually adopted by the Company in its transactions with independent third parties or YTO. Such terms are on normal commercial terms and not less favorable than those offered to the Company by independent third parties.

Pricing Standards of the Transactions contemplated under the Material Procurement Agreement

Under the Material Procurement Agreement, the price of the goods to be provided will be determined based on the following:

- (1) the market price of an independent third party obtained through prices quoted on websites for the industry or enquiries in the market (i.e. the price of the same or similar product provided to independent third parties by suppliers other than YTO Group, associates of YTO, Sinomach and the subsidiaries and associates of Sinomach in the same region during the ordinary course of business on normal commercial terms);
- (2) if there is no market price determined by an independent third party, the transaction price between YTO Group, associates of YTO, Sinomach, the subsidiaries or associates of Sinomach and an independent third party; or
- (3) if none of the above is applicable, costs plus a percentage mark-up (tax inclusive), which is not more than 30% (i.e. price = cost x (1 + percentage mark-up)).

YTO undertakes that the applicable price of the goods offered to the Group shall not be less favorable than that offered to independent third party customers of YTO Group, associates of YTO, Sinomach and the subsidiaries and associates of Sinomach for the same or similar goods.

When adopting the above pricing standards, the Company's:

- (1) procurement department, in relation to the price determination based on the market price of an independent third party (i.e. pricing standard No.(1)), shall make reference to one to two price quotations of the same or similar goods through relevant industry website or market enquiry. Such quotations shall be obtained by the procurement department;
- (2) finance department, in relation to price determination based on the transaction price between the suppliers and an independent third party (i.e. pricing standard No.(2)), shall make reference to one to two signed agreement(s) entered into between the suppliers and an independent third party in relation to the procurement of the same or similar goods. The finance department shall obtain the cost analysis of goods (including cost breakdown and gross profit margin) from the suppliers to ensure that the transaction price under the Material Procurement Agreement is fair and reasonable and not higher than the price of the same or similar goods offered by the suppliers to an independent third party; and
- (3) finance department, in relation to price determination based on costs plus a percentage mark-up (i.e. pricing standard No. (3)), shall obtain cost analysis of goods from the suppliers and finalise the price in accordance with the cost analysis and the percentage mark-up. The finance department shall also perform quarterly updating and review on the average gross profit margin of listed companies engaged in the related industry and the gross profit margin of the historical transactions.

Historical Transaction Amounts, the Existing Annual Cap Amounts and the Proposed Annual Cap Amount for 2022 for the Transactions under the Material Procurement Agreement

The following table sets out the historical transaction amounts for the years ended 31 December 2020 and 2021, and for the six months ended 30 June 2022, and the existing annual cap amounts for each of the three years ending 31 December 2022, 2023 and 2024 and the proposed annual cap amount for 2022 under the Material Procurement Agreement:

	Historical transaction amounts		
	For the year ended		For the six
	31 December		months ended
	2020	2021	30 June
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Material Procurement Agreement	<u>617,100</u>	<u>852,820</u>	<u>404,540</u>
	For the year ending 31 December		
	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Existing annual cap amounts	710,000	710,000	750,000
Proposed revised annual cap amount for 2022		Remains unchanged at	Remains unchanged at
	<u>850,000</u>	<u>710,000</u>	<u>750,000</u>

Basis for the Adjustment to the Annual Cap Amount for 2022 under the Material Procurement Agreement

As the sales volume of the medium and large tractor products of the Company increased by approximately 18.31% in the first half of 2022, the Company's material procurement from YTO also increased significantly. It is expected that the material procurement amounts from YTO will still increase in the second half of 2022, the Company therefore intends to increase the annual cap amount for 2022 under the Material Procurement Agreement.

As there are no factors that indicate there will be an increase the relevant transaction amounts in 2023 and 2024, the Company has no current intention to adjust the existing annual cap amounts for 2023 and 2024 under the Material Procurement Agreement. However, the Company will continue to closely review and monitor the relevant material procurement amounts of the Company to ascertain whether a revision of the annual cap amounts for 2023 and 2024 under the Material Procurement Agreement will be required.

III. COMPOSITE SERVICES AGREEMENT

Details of the major terms of the Composite Services Agreement and its proposed revised annual cap amounts are as follows:

Date	:	25 August 2021
Parties	:	<ul style="list-style-type: none">• YTO, on behalf of YTO, its controlled companies and their associates, as supplier and/or supplying agent; and• The Company, on behalf of the Group, as purchaser and/or purchasing agent.
Services to be provided	:	Transportation and transportation ancillary services, and production-related processing contracting services
Term	:	From 1 January 2022 to 31 December 2024.

Payment terms : Transportation services: shall be principally settled within three months after confirmation by the Company (on behalf of the Group) from the date of delivering or receiving the goods.

Transportation ancillary services: shall be billed monthly and paid by the end of the following month.

Production-related processing contracting services: shall be settled within 60 days after completion of the processing contracting services.

These payment terms were usually adopted by YTO in its transactions with independent third parties or the Company. Such terms are on normal commercial terms and not less favorable than those offered to independent third parties by YTO.

Pricing Standards of the Transactions contemplated under the Composite Services Agreement

Under the Composite Services Agreement, the price of the services to be provided thereunder will be determined based on the following:

- (1) the market price of an independent third party obtained through enquiries in the market (i.e. the price of the same or similar services provided to independent third parties by suppliers other than YTO, its controlled companies and their associates in the same region during the ordinary course of business on normal commercial terms);
- (2) if there is no market price determined by an independent third party, the transaction price between YTO, its controlled companies and their associates and an independent third party; or
- (3) if none of the above is applicable, costs plus a percentage mark-up (tax inclusive), which is not more than 10% (i.e. price = cost x (1 + percentage mark-up)).

YTO undertakes that the applicable price of the services offered to the Group shall not be less favorable than that offered to independent third party customers of YTO, its controlled companies and their associates for the same services.

When adopting the above pricing standards, the Company's:

- (1) procurement department, in relation to the price determination based on the market price of an independent third party (i.e. pricing standard No.(1)), shall make reference to one to two price quotations of the same or similar services through market enquiry. Such quotations shall be obtained by procurement department;
- (2) finance department, in relation to price determination based on the transaction price between the suppliers and an independent third party (i.e. pricing standard no.(2)), shall make reference to one to two signed agreement(s) entered between the suppliers and an independent third party in relation to the procurement of the same or similar services. The finance department shall obtain the cost analysis of services (including cost breakdown and gross profit margin) from the suppliers to ensure that the transaction price under the Composite Services Agreement is fair and reasonable and not higher than the price of the same or similar service offered by the suppliers to independent third party; and
- (3) finance department, in relation to price determination based on costs plus a percentage mark-up (i.e. pricing standard No. (3)), shall obtain cost analysis of services from the suppliers and finalise the price in accordance with the cost analysis and the percentage mark-up. The finance department shall also perform quarterly update and review on the average gross profit margin of listed companies engaged in the related industry and the gross profit margin of the historical transactions.

Historical Transaction Amount, the Existing Annual Cap Amounts and the Proposed Revised Annual Cap Amount for 2022 for the Transactions under the Composite Services Agreement

The following table sets out the historical transaction amounts for the years ended 31 December 2020 and 2021, and for the six months ended 30 June 2022, and the existing annual cap amounts and the proposed revised annual cap amounts for each of the three years ended 31 December 2022, 2023 and 2024 and the proposed revised annual cap amount for 2022 under the Composite Services Agreement:

	Historical transaction amounts		
	For the year ended		For the six
	31 December		months ended
	2020	2021	30 June
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Composite Services Agreement	<u>183,410</u>	<u>217,620</u>	<u>130,290</u>
	For the year ending 31 December		
	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Existing annual cap amount	190,000	190,000	200,000
Proposed revised annual cap amount for 2022		Remains unchanged at	Remains unchanged at
	<u>270,000</u>	<u>190,000</u>	<u>200,000</u>

Basis for the Adjustment to Annual Cap Amount for 2022 under the Composite Services Agreement

As the sales volume of the medium and large tractor products of the Company increased by approximately 18.31% in the first half of 2022, the Company's procurement of transportation services from YTO also increased significantly. It is expected that the transportation service business and freight charges through YTO in the second half of 2022 will continue to increase, the Company therefore intends to increase the annual cap amount for 2022 under the Composite Services Agreement.

As there are no factors that indicate there will be an increase the relevant transaction amounts in 2023 and 2024, the Company has no current intention to adjust the existing annual cap amounts for 2023 and 2024 under the Composite Services Agreement. However, the Company will continue to closely review and monitor the relevant composite services amounts of the Company to ascertain whether a revision of the annual cap amounts for 2023 and 2024 under the Composite Services Agreement will be required.

IV. REASONS FOR ADJUSTMENT TO THE ANNUAL CAP AMOUNTS

Affected by various factors such as the country's high emphasis on the work of the three agriculture, rural areas and farmers and the switching of the "National IV" emission standards for non-road mobile machinery, the sales volume of the medium and large tractor products by backbone enterprises in the agricultural machinery industry in the first half of 2022 increased by 4.79% year-on-year, and the sales volume of the medium and large tractor products of the Company increased by approximately 18.31% in the first half of 2022 and the Company's material procurement and transportation services from YTO also increased significantly. Affected by the advance of user purchase demand brought about by the implementation of the "National IV" switch at the end of this year and other factors, it is expected that the agricultural machinery market will maintain a certain growth in the second half of 2022, the Company intends to increase the cap amounts for 2022 under the Material Procurement Agreement and the Composite Services Agreement.

V. MEASURE OF INTERNAL CONTROL

In order to ensure the Material Procurement Agreement and the Composite Services Agreement are in compliance with its agreed pricing terms agreed in the agreements and will not exceed the estimated annual cap amounts, the Company has formulated the following internal control measures, and the Finance Department, the Office of the Board and the Audit and Legal Affairs Department of the Company shall be responsible for the implementation and supervision thereof:

- (1) The Company has formulated measures for decision on and daily administration of connected transactions, which clearly require all business units to comply with the pricing principles and other terms in continuing connected transaction agreements when entering into contracts in accordance with daily connected transaction framework agreement.
- (2) The Office of the Board, the Finance Department and the Legal Affairs Department of the Company shall be responsible for performing examination on whether the principal terms of the agreements and the pricing principles for the continuing connected transactions have been determined on ordinary commercial terms, whether they are fair and reasonable and are in accordance with relevant laws and regulations.
- (3) The Office of the Board and the Finance Department of the Company shall run regular statistics on and review of the ratio of actual amount of the connected transaction agreements to the approved cap therefor and the estimation for the whole year, and timely remind all the business units to pay attention to the utilization limit of the cap for the transactions, and fulfill corresponding examination and approval procedures in accordance with requirements to ensure the connected transactions are performed in a compliant manner if the increase in transaction cap amount is really needed due to the reason of actual business.
- (4) The internal audit department of the Company shall perform regular supervision assessment of the internal control for the operations of the connected transactions of the Company.
- (5) The auditor of the Company shall perform annual review on the pricing and annual cap amount for the continuing connected transactions according to the requirements.

The Directors are of the view that the above internal control measures can ensure that the transactions under the Material Procurement Agreement and the Composite Services Agreement will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Shareholders.

VI. IMPACT OF THE ADJUSTMENT ON THE COMPANY

The increase in the annual cap amounts for 2022 of continuing connected transaction under the Material Procurement Agreement and the Composite Services Agreement, respectively, is in compliance with the production and operation needs of the Company, ensuring the Company's daily compliance operations and will not have material adverse impact on the Company's financial position or results of operations nor it will affect the Company's independence.

VII. INFORMATION OF THE GROUP AND YTO

The Group is principally engaged in the production and sale of agricultural machineries and power machineries. The principal products include tractors of hi-powered, mid-powered and low-powered, diesel engines and other accessories of tractors.

As at the date of this announcement, YTO is a direct controlling shareholder of the Company, holding approximately 548,485,853 A Shares of the Company, representing approximately 48.81% of the total issued Shares of the Company.

YTO Group is principally engaged in the production and sales of tractors and other agricultural machineries, automobiles, engineering machineries, diesel engines, generators, forklifts, bicycles, fuel injection pumps and spare parts of the above products; manufacturing of coal mining machineries, tank trucks, moulds, machine tools, forging castings, clip aids and non-standard equipment; industrial gas (forbidden as chemical raw materials for non-fuel use, which can be operated by branches only); production and sale of oxygen (compressed), oxygen (liquefied), nitrogen (compressed), nitrogen (liquefied), air (compressed) (the above five items are permitted to be operated by branches only under license); road transportation of general cargo and dangerous goods (item 3 under class II, class III, which are operated under license); import and export (according to qualification certificate); contracting overseas mechanical and electrical engineering and domestic and international bidding project; export of equipment and materials required for the above-mentioned overseas projects; dispatch of labour required for the implementation of the above-mentioned projects.

VIII. IMPLICATIONS UNDER THE HONG KONG LISTING RULES AND THE SHANGHAI LISTING RULES

As at the date of this announcement, YTO beneficially owned approximately 48.81% of the issued share capital of the Company and is the controlling shareholder of the Company. Accordingly, the transactions contemplated under each of the Material Procurement Agreement and the Composite Services Agreement entered into between the Company and YTO constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As the applicable percentage ratios for the adjusted annual cap amount for 2022 under the Composite Services Agreement are more than 0.1% but less than 5%, the adjustment to the annual cap amount for 2022 under the Composite Services Agreement is subject to the reporting and announcement requirements but is exempt from the Independent Shareholders' approval requirement pursuant to Chapter 14A of the Hong Kong Listing Rules.

As the applicable percentage ratios for the adjusted annual cap amount for 2022 under the Material Procurement Agreement are more than 5%, the adjustment to the annual cap amount for 2022 under the Material Procurement Agreement is subject to the reporting, annual review and announcement requirements and the requirement to obtain approval from the Independent Shareholders under Chapter 14A of the Hong Kong Listing Rules.

As the A Shares of the Company are listed on the Shanghai Stock Exchange, the Company is also required to comply with relevant requirements of the Shanghai Listing Rules. Pursuant to the relevant provisions of the Shanghai Listing Rules, the proposed adjustment to the annual cap amounts for 2022 under the Material Procurement Agreement and the Composite Services Agreement, respectively, are subject to the Independent Shareholders' approval. Accordingly, the Company proposes to submit the resolutions regarding the adjustment to the annual cap amounts for 2022 under the Material Procurement and the Composite Services Agreement, respectively, for approval by Independent Shareholders at the EGM.

The Resolution on Increasing the Cap Amounts of Material Procurement Agreement and Composite Services Agreement for 2022 between the Company and YTO Group Corporation was considered and approved at the fifth meeting of the ninth session of the Board of the Company held on 29 September 2022. Liu Jiguo, Zhang Zhiyu, Fang Xianfa and Ma Zhihui, all being Directors of the Company, have abstained from voting at the Board meeting, as they are connected to YTO and are regarded as being unqualified to make any independent recommendation to the Board.

The adjustment to the annual cap amounts under each of the Material Procurement Agreement and the Composite Services Agreement were determined after arm's length negotiations between the parties thereto. The Directors (for the adjustment to the annual cap amounts under Material Procurement Agreement, excluding the independent non-executive Directors who will provide their opinion after reviewing the recommendation from the relevant independent financial advisor) consider that the adjustment to the annual cap amounts under each of the Material Procurement Agreement and the Composite Services Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

IX. EGM

The Company proposes to convene the EGM in November 2022 and submit the relevant resolutions regarding the adjustments to the annual cap amounts for 2022 under the Material Procurement and the Composite Services Agreement, respectively, for approval by Independent Shareholders.

A circular containing (among others) the details of the adjustment to the annual cap amounts for 2022 under each of the Material Procurement Agreement and the Composite Services Agreement is expected to be despatched by the Company to the Shareholders as soon as practicable.

X. DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“A Share(s)”	the domestic ordinary share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange and subscribed for and traded in RMB;
“associate(s)”	has the same meaning as ascribed to this term under the Hong Kong Listing Rules;
“Board”	the board of Directors;

“Company”	First Tractor Company Limited* (第一拖拉機股份有限公司), a joint stock company with limited liability incorporated in the PRC, the H shares and A Shares of which are listed on the main board of the Stock Exchange and the Shanghai Stock Exchange respectively;
“Composite Services Agreement”	the agreement dated 25 August 2021 entered into between YTO, on behalf of YTO, its controlled companies and their associates, as supplier and/or supplying agent and the Company, on behalf of the Group, as purchaser and/or purchasing agent pursuant to which YTO Group agreed to provide transportation and transportation ancillary services, and production-related processing contracting services to the Group;
“connected person(s)”	has the same meaning as ascribed to this term under the Hong Kong Listing Rules;
“controlling shareholder”	has the same meaning as ascribed to this term under the Hong Kong Listing Rules;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held in November 2022 to consider, among other things, and, if thought fit, approve the annual cap amounts for 2022 under the Material Procurement Agreement and the Composite Services Agreement;
“Group”	the Company and its subsidiaries;
“H Share(s)”	the overseas listed foreign share(s) having a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for and traded in Hong Kong dollars, all of which are listed on the Stock Exchange;

“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
“Independent Shareholder(s)”	Shareholder(s) other than YTO and its associate(s);
“Material Procurement Agreement”	the agreement dated 25 August 2021 entered into between YTO, on behalf of YTO Group, associates of YTO, Sinomach and the subsidiaries of Sinomach, as supplier and/or supplying agent and the Company, on behalf of the Group, as purchaser and/or purchasing agent pursuant to which YTO Group, associates of YTO, Sinomach and the subsidiaries of Sinomach agreed to supply certain materials to the Group;
“percentage ratios”	has the same meaning as ascribed to it under the Hong Kong Listing Rules, as applicable to a transaction;
“PRC”	The People’s Republic of China which, for the purpose of this announcement only, excludes the Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shanghai Listing Rules”	Shanghai Stock Exchange Share Listing Rules;
“Shareholder(s)”	shareholder(s) of the Company;
“Sinomach”	China National Machinery Industry Corporation* (中國機械工業集團有限公司), a limited liability company incorporated in the PRC and a controlling shareholder of YTO having 88.22% equity interest in YTO;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“YTO”	YTO Group Corporation* (中國一拖集團有限公司), a limited liability company incorporated in the PRC and the controlling shareholder of the Company, holding approximately 48.81% equity interest in the Company;
“YTO Group”	YTO and its subsidiaries; and
“%”	per cent.

Certain figures set out in this announcement are subject to rounding adjustments. Accordingly, figures shown as the currency conversion or percentage equivalents may not be an arithmetic sum of such figures.

Any discrepancy in any table between totals and sums of amounts listed in this announcement is due to rounding.

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

Luoyang, the PRC
29 September 2022

As at the date of this announcement, the Board comprises Mr. Liu Jiguo (Chairman) as executive Director; Mr. Zhang Zhiyu, Mr. Fang Xianfa and Mr. Ma Zhihui as non-executive Directors; and Mr. Edmund Sit, Mr. Wang Shumao and Mr. Xu Liyou as independent nonexecutive Directors.

* *For identification purposes only*