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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 IN RECEIPT OF WARNING LETTER FROM HENAN BUREAU OF THE CSRC

Reference is made to the announcement of the First Tractor Company Limited (the “**Company**”) dated 21 March 2023 in relation to the correction of accounting errors and the announcement of the Company dated 28 July 2023 in relation to the receipt by the Company of the “Decision on the Adoption of Administrative and Regulatory Measure of Issuing a Warning Letter to First Tractor Company Limited and Relevant Personnel” ([2023] No. 37) (the “**Warning Letter**” or “**Letter**”) from the Henan Regulatory Bureau of the China Securities Regulatory Commission (the “**Henan Bureau of the CSRC**”).

As the Warning Letter was addressed to the Company and the chairman of the Company, the Company hereby re-publish the relevant contents of the Warning Letter pursuant to Rules 13.51(2)(n)(iii) and 13.51B(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as follows:

“First Tractor Company Limited (第一拖拉机股份有限公司), Liu Jiguo:

After investigation, First Tractor Company Limited (hereinafter referred to as the “**Company**”) had the following violations:

On 22 March 2023, the Company disclosed the “Announcement on Correction of Accounting Errors” to make retrospective adjustments to the 2022 Third Quarterly Report and other relevant financial information. Among them, the total profit for the first three quarters of 2022 was adjusted from RMB919 million to RMB765 million and the net profit attributable to shareholders of the listed company was adjusted from RMB907 million to RMB796 million. The Company’s 2022 Third Quarterly Report and other information disclosures were inaccurate, which violated the first paragraph of Article 3 of the “Measures for the Administration of Information Disclosure by Listed Companies” (CSRC Order No. 182).

Mr. Liu Jiguo, the chairman, general manager and then person in charge of accounting work of the Company, was mainly responsible for the aforesaid violations.

According to Article 52 of the “Measures for the Administration of Information Disclosure by Listed Companies” (CSRC Order No. 182), the Bureau has decided to take the administrative supervisory measure by issuing this warning letter to the Company and Mr. Liu Jiguo, which will be recorded in the integrity file of the securities and futures market. The Company and Mr. Liu Jiguo should learn a lesson, strengthen the learning of relevant laws and regulations, and practically improve the standard of the Company’s standardized operation and the quality of information disclosure, and submit a written report to the Bureau within 30 days after the receipt of this Letter.”

The board of directors (the “**Board**”) of the Company attaches great importance to the regulatory requirements set out in the Warning Letter and will submit a written report to the Henan Bureau of the CSRC within the prescribed timeframe strictly in accordance with the regulatory requirements and fulfill its information disclosure obligations in a timely manner in accordance with the relevant regulations. The Company and its related personnel will draw lessons from the incident, earnestly implement corrective actions and strengthen the learning as well as training of corporate accounting standards and securities laws and regulations. Additionally, the Company and its related personnel will further strengthen the rigor of accounting and enhance the Company’s standardized operation and the quality of financial information disclosure to avoid the recurrence of this kind of incident. The administrative and regulatory measure will not affect the normal production and operation of the Company, nor will it affect Mr. Liu Jiguo, the chairman of the Board and the general manager of the Company, in the discharge of his duties as an executive director and chief executive officer of the Company.

Shareholders of the Company and investors are advised to exercise caution when dealing in the Company's securities.

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

Luoyang, the PRC
7 August 2023

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. Zhang Bin as non-executive Directors; and Mr. Edmund Sit, Mr. Wang Shumao and Mr. Xu Liyou as independent non-executive Directors.

** For identification purposes only*