

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Stock Code: 0038)

ANNOUNCEMENT ON THE WRITE-OFF OF ASSETS

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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

At the twelfth meeting of the ninth session of the Board of Directors of First Tractor Company Limited* (“**First Tractor**” or the “**Company**”), the Resolution on the Write-off of Assets of the Company was considered and approved, details of which are as follows:

I. OVERVIEW OF THE WRITE-OFF OF ASSETS

According to the relevant requirements of the Accounting Standards for Business Enterprises and the Company’s accounting methods, in order to more accurately reflect the operational quality of the Company’s assets, the Company has obtained conclusive evidence to write off assets that meet the write-off conditions, details of which are as follows:

Unit: ten thousand (RMB)

Types of assets to be written off	Original value of write-off of assets	Amount of impairment provisions
Receivables	17,227.14	17,227.14
Entrusted loan	16,673.36	16,673.36
Long-term equity Investments	4,650.00	4,650.00
Total	38,550.50	38,550.50

II. EFFECT OF THE WRITE-OFF OF ASSETS ON THE COMPANY

The write-off of assets was in compliance with the Accounting Standards for Business Enterprises and in line with the actual situation of the Company. The Company has made full provision for impairment of the above-mentioned assets, and the write-off will not affect the Company's profit for the current period. There is no circumstance that damages the interests of the Company and all of its shareholders.

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

Luoyang, the PRC
28 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*