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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 PROPOSED DIVIDEND DISTRIBUTION FOR 2023**

First Tractor Company Limited\* (the “**Company**”) and all members of the board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby warrant that there are no false information, misleading statements or material omissions in this announcement, and accept several and joint responsibilities for the truthfulness, accuracy and completeness of its contents.

### **IMPORTANT INFORMATION:**

- Cash dividend of RMB0.3194 (tax inclusive) per share.
- The dividend distribution will be based on the total share capital as at the date of registration for the implementation of the equity distribution, and the specific date will be specified in the announcement for the implementation of the equity distribution.
- In case of any change in the total share capital of First Tractor Company Limited (hereafter, the “**Company**”) before the date of registration for the implementation of the equity distribution, the total distribution amount will remain unchanged and the distribution ratio per share will be adjusted accordingly with specific adjustments to be announced separately.

## **I. CONTENTS OF THE PROPOSED DIVIDEND DISTRIBUTION**

As audited by ShineWing Certified Public Accountants (Special General Partnership), First Tractor Company Limited\* (the “**Company**”) realised net profit attributable to the owners of the parent company of RMB997,022,700 for the year of 2023, and the accumulated undistributed profit of the parent company amounted to RMB2,358,590,600 as of 31 December 2023. As resolved by the Board, the Company proposes to distribute dividend for 2023 on the basis of the total share capital as at the date of registration for the implementation of the equity distribution. The proposed dividend distribution is set out below:

The Company intends to distribute a cash dividend of RMB0.3194 per share (tax inclusive) to all shareholders. As of the date of disclosure of this announcement, the total share capital of the Company is 1,123,645,275 shares, and based on this calculation, the total cash dividend proposed to be distributed is RMB358,892,300, representing 36% of the Company’s net profit attributable to the owners of the parent company for 2023.

If there is any change in the total share capital of the Company between the date of disclosure of this announcement and the date of registration for the implementation of the equity distribution, the total distribution amount will remain unchanged and the distribution ratio per share will be adjusted accordingly by the Company, and a separate announcement will be made to specify the adjustment.

The proposed dividend distribution is yet to be submitted to the 2023 annual general meeting of the Company for consideration.

## **II. DECISION-MAKING PROCEDURES PERFORMED BY THE COMPANY**

### **(I) Convening, consideration and voting at board meetings**

The Nineteenth Meeting of the Ninth Session of the Board of the Company was convened on 27 March 2024 to consider and approve the “Proposal on Dividend Distribution of the Company for 2023”. This proposal is in compliance with the dividend distribution policy set out in the Articles of Association of the Company.

## **(II) Opinion of the Supervisory Committee**

The proposed dividend distribution for 2023 of the Company is in compliance with the provisions of the Articles of Association of the Company and the requirements of the relevant guidelines of the regulatory authorities, and the Supervisory Committee agrees with the proposed dividend distribution for 2023 of the Company and agrees to submit it to the 2023 annual general meeting of the Company for approval.

## **III. RELATED RISK WARNING**

The proposed dividend distribution of the Company is subject to the consideration and approval of the 2023 annual general meeting of the Company and is subject to certain uncertainties. Investors are advised to pay attention to the investment risks.

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

Luoyang, the PRC  
27 March 2024

*As at the date of this announcement, the Board comprises Mr. Liu Jiguo (Chairman) and Mr. Wei Tao as executive Directors; 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*