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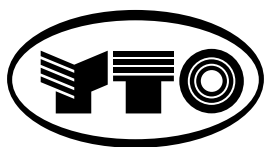
**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

**If you have sold or transferred** all your shares in First Tractor Company Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**PROPOSED AMENDMENTS TO  
THE ARTICLES OF ASSOCIATION (DRAFT)**

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A letter from the Board is set out on pages 1 to 4 of this circular.

The notice for convening the extraordinary general meeting (the “**EGM**”) of First Tractor Company Limited (the “**Company**”) to be held at 9:00 a.m., on 6 March 2012 (Tuesday) at No.154, Jianshe Road, Luoyang, Henan Province, the People’s Republic of China (the “**PRC**”), are set out on pages 5 to 6 of this circular.

Form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company’s branch share registrar in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong; and in case of Domestic Shares, the proxy form shall be lodged at the registered address and principal place of business of the Company at No.154 Jianshe Road, Luoyang, Henan Province, the PRC, as soon as possible and in any event not less than 24 hours before the time scheduled for holding the meeting (or any adjourned meeting thereof). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment if you so desire.

2 February 2012

\* For identification purposes only

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## DEFINITIONS

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*In this circular, the following expressions shall have the meanings stated below unless the context otherwise requires:*

“A Shares”	the ordinary shares of the Company of RMB1.00 each proposed to be allotted, issued and listed on the Shanghai Stock Exchange
“Articles of Association (Draft)”	the articles of association of the Company
“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 of which are listed on the Stock Exchange (Stock Code: 0038)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Directors”	the directors of the Company, including the independent non-executive directors
“Domestic Share(s)”	the ordinary shares of the Company of RMB1.00 each which are subscribed for in Renminbi by PRC nationals and/or PRC incorporated entities, all of which have been allotted and issued and are fully paid up
“EGM”	the extraordinary general meeting of the Company to be convened and held at 9:00 a.m., on 6 March 2012 (Tuesday) at No.154 Jianshe Road, Luoyang, Henan Province, the PRC, for the Shareholders to consider and, if thought fit, approve, among other things, the proposed amendments to the Articles of Association (Draft)
“H Share(s)”	the overseas listed foreign share(s) having a nominal value of RMB1.00 each in the 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”	the Hong Kong Special Administrative Region of the PRC

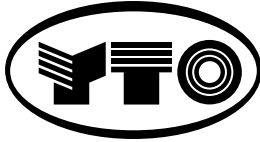
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## DEFINITIONS

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“Issue of A Shares”	the proposed issue of not more than 150,000,000 A Shares to qualified public investors (except those prohibited by the PRC laws and regulations and other regulatory requirements to which the Company is subject)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China which, for the purpose of this circular, excludes Hong Kong and the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	registered holder(s) of the Shares
“Shares”	Domestic Shares and H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

\* *For identification purposes only*



**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)

*Board of Directors:*

Mr. Zhao Yanshui (*Chairman*)  
Mr. Su Weike (*Vice Chairman*)  
Mr. Yan Linjiao  
Mr. Liu Yongle  
Ms. Dong Jianhong  
Mr. Qu Dawei  
Mr. Liu Jiguo  
Mr. Luo Xiwen\*\*  
Mr. Chan Sau Shan, Gary\*\*  
Mr. Hong Xianguo\*\*  
Mr. Zhang Qiusheng\*\*

*Registered and principal office:*

No.154 Jianshe Road  
Luoyang, Henan Province  
The PRC

\*\* *Independent non-executive Director*

2 February 2012

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED AMENDMENTS TO  
THE ARTICLES OF ASSOCIATION (DRAFT)**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 20 January 2012 in relation to the proposed amendments to the Articles of Association (Draft).

\* *For identification purposes only*

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## LETTER FROM THE BOARD

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The purpose of this circular is (i) to provide you with further information relating to the proposed amendments to the Articles of Association (Draft); and (ii) to give you notice of the EGM to be convened for the Shareholders to approve the proposed amendments to the Articles of Association (Draft).

### **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION (DRAFT)**

In order to fulfill the Company Laws of the PRC and the requirements from the relevant regulatory authorities in the PRC, and with a view to providing a more convenient platform for the Shareholders to attend and vote at the general meeting of the Company, the Company intends to amend the Articles of Association (Draft). The amendments are as follows:

#### Article 100

Original Article 100: “When the numbers of votes against and for a resolution are equal, the chairman of the meeting shall have the rights of one more vote.”

Amended Article 100: “Subject to ensuring the legitimacy and effectiveness of the general meeting, the Company shall provide convenience to the shareholders to attend the general meeting through various methods and ways, including modern information technologies such as providing network voting platform, etc.”

#### Article 139

Original Article 139: “The quorum for convening the meeting of the board of directors shall be more than half of the directors (including those directors who have entrusted other directors in writing to attend the meeting on their behalf in accordance with the articles of association). Each director shall have one vote. Subject to Clause 2 of Article 133, the resolution shall be approved at the board meeting when it was passed by more than half of the directors attending the meeting.

When the numbers of votes against and for a resolution are equal, the chairman of the board shall have the rights of one more vote.”

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## LETTER FROM THE BOARD

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Amended Article 139: “The quorum for convening the meeting of the board of directors shall be more than half of the directors (including those directors who have entrusted other directors in writing to attend the meeting on their behalf in accordance with the articles of association). Each director shall have one vote. Subject to Clause 2 of Article 133, the resolution shall be approved at the board meeting when it was passed by more than half of the directors attending the meeting.”

The English version of the Articles of Association (Draft) is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

The proposed amendments to the Articles of Association (Draft) are subject to the approval by the Shareholders at the EGM and any other approval or endorsement from or registration with the relevant regulatory authorities in the PRC. The amendments to the Articles of Association (Draft) shall come into effect upon approval from the CSRC and completion of the Issue of A Shares.

### **EGM**

The EGM will be held at 9:00 a.m. on 6 March 2012 (Tuesday) at No.154 Jianshe Road, Luoyang, Henan Province, the PRC for the Shareholders to consider and, if thought fit, to approve, among other things, the proposed amendments to the Articles of Association (Draft).

Notice of the EGM is set out on pages 5 to 6 of this circular.

Form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company’s branch share registrar in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong; and in case of Domestic Shares, the proxy form shall be lodged at the registered address and principal place of business of the Company at No.154 Jianshe Road, Luoyang, Henan Province, the PRC, as soon as possible and in any event not less than 24 hours before the time scheduled for holding the meeting (or any adjourned meeting thereof). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment if you so desire.

No Shareholders are required to abstain from voting in respect of the resolution relating to the proposed amendments to the Articles of Association (Draft). The votes to be taken at the EGM will be taken by poll.

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## LETTER FROM THE BOARD

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### RECOMMENDATIONS

The Board considers that the proposed amendments to the Articles of Association (Draft) are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM as set out in the notice of the EGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,

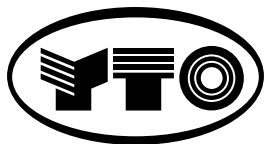
For and on behalf of

**FIRST TRACTOR COMPANY LIMITED**

**Zhao Yanshui**

*Chairman*





**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)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the extraordinary general meeting (the “**EGM**”) of First Tractor Company Limited (the “**Company**”) will be held at 9:00 a.m. on 6 March 2012 (Tuesday) at No.154 Jianshe Road, Luoyang, Henan Province, the People's Republic of China (the “**PRC**”) for the purpose of considering and, if thought fit, passing the following resolution:

*Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the announcement of the Company dated 20 January 2012.*

**AS SPECIAL RESOLUTION:**

1. Conditional upon obtaining the approval from the CSRC and the completion of the Issue of A Shares, the proposed amendments to the Articles of Association (Draft) (details of which are set out in the announcement of the Company dated 20 January 2012) be approved and confirmed, and that any Director be and is hereby authorised to modify the wordings of such amendments as appropriate (such amendments will not be required to be approved by the shareholders of the Company) and execute all such documents and/or do all such acts as the Directors may, in their absolute discretion, deem necessary or expedient and in the interest of the Company in order to effect the Issue of A Shares, comply with the changes in the PRC laws and regulations, and satisfy the requirements (if any) of the relevant PRC authorities, and to deal with other related issues arising from the amendments to the Articles of Association (Draft) of the Company.

By Order of the Board  
**FIRST TRACTOR COMPANY LIMITED**  
**Zhao Yanshui**  
*Chairman*

Luoyang, the PRC  
20 January 2012

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## NOTICE OF EGM

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*As at the date of this notice, Mr. Zhao Yanshui is the Chairman and executive Director of the Company and Mr. Su Weike is the vice Chairman and non-executive Director of the Company. Other members of the Board are, three executive Directors, namely, Ms. Dong Jianhong, Mr. Qu Dawei and Mr. Liu Jiguo; three non-executive Directors, namely, Mr. Yan Linjiao, Mr. Liu Yongle and Mr. Li Youji; and four independent non-executive Directors, namely, Mr. Luo Xiwen, Mr. Chan Sau Shan, Gary, Mr. Hong Xianguo and Mr. Zhang Qiusheng.*

*Notes:*

1. The register of members of the Company will be temporarily closed from 4 February 2012 to 5 March 2012 (both days inclusive) during which no transfer of shares of the Company (the “**Shares**”) will be registered in order to determine the list of shareholders of the Company (the “**Shareholders**”) for attending the EGM. The last lodgment for the transfer of the H Shares of the Company should be made on 3 February 2012 at Hong Kong Registrars Limited by or before 4:00 p.m. The Shareholders or their proxies being registered before the close of business on 3 February 2012 are entitled to attend the EGM by presenting their identity documents. The address of Hong Kong Registrars Limited, the H Shares registrar of the Company, is Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
2. Each Shareholder having the rights to attend and vote at the EGM is entitled to appoint one or more proxies (whether a Shareholder or not) to attend and vote on his behalf. Should more than one proxy be appointed by one Shareholder, such proxy shall only exercise his voting rights on a poll.
3. Shareholders can appoint a proxy by an instrument in writing (i.e. by using the Proxy Form enclosed). The Proxy Form shall be signed by the person appointing the proxy or an attorney authorized by such person in writing. If the Proxy Form is signed by an attorney, the power of attorney or other documents of authorization shall be notarially certified. To be valid, the Proxy Form and the notarially certified power of attorney or other documents of authorization must be delivered to the Company’s registered address at No.154 Jianshe Road, Luoyang, Henan Province, the PRC, or the Company’s H Shares registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong in not less than 24 hours before the time scheduled for the holding of the EGM or any adjournment thereof.
4. Shareholders who intend to attend the EGM are requested to deliver the duly completed and signed reply slip for attendance to the Company’s registered and principal office in person, by post or by facsimile on or before 4:00 p.m., 14 February 2012.
5. Shareholders or their proxies shall present proofs of their identities upon attending the EGM. Should a proxy be appointed, the proxy shall also present the proxy form.
6. The EGM is expected to last for less than one day. The Shareholders and proxies attending the EGM shall be responsible for their own travelling and accommodation expenses.
7. The Company’s registered address:  
  
No.154 Jianshe Road, Luoyang, Henan Province, the PRC  
Postal code: 471004  
Telephone: (86379) 6496 7038  
Facsimile: (86379) 6496 7438  
Email: msc0038@ytogroup.com

\* For identification purposes only