
THIS SUPPLEMENTAL CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **First Tractor Company Limited**, you should at once hand this supplemental circular with the accompanying revised form of proxy to the purchaser or the transferee, or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or the 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
AND
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

This supplemental circular should be read together with the circular of the Company dated 23 April 2021.

Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those set out in the section headed "Definitions" of this supplemental circular.

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

A notice for convening the AGM of First Tractor Company Limited (the "**Company**") to be held at 2:15 p.m. on 8 June 2021 (Tuesday) at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC was despatched on 23 April 2021, and a supplemental notice of AGM is set out on pages 5 to 7 of this supplemental circular.

Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying revised proxy form in accordance with the instructions printed thereon. The accompanying revised proxy form shall be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at 17M Floor., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or at the registered address 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 AGM or any adjourned meeting thereof (as the case may be). Completion and delivery of the accompanying revised form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment (as the case may be) should you so wish.

CONTENTS

	<i>Page</i>
DEFINITIONS	ii
LETTER FROM THE BOARD	1
Proposed Amendments to the Articles of Association	2
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING	5

DEFINITIONS

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

“AGM” or “2020 AGM” or “Meeting”	the 2020 annual general meeting of the Company to be held at 2:15 p.m. on 8 June 2021 (Tuesday) at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC
“Articles” or “Articles of Association”	Articles of Association of the Company
“Board”	the board of Directors of the Company
“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 Stock Exchange (Stock Code: 0038) and the Shanghai Stock Exchange (Stock Code: 601038) respectively
“Directors”	the directors of the Company, including the independent non-executive directors
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	13 May 2021, being the latest practicable date prior to the printing of this supplemental circular for ascertaining certain information contained herein
“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 supplemental circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan Province
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

* *For identification purposes only*

LETTER FROM THE BOARD



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. Li Xiaoyu (*Chairman*)
Mr. Cai Jibo (*Vice Chairman*)
Mr. Liu Jiguo
Mr. Li Hepeng
Mr. Xie Donggang
Mr. Zhou Honghai
Ms. Yang Minli**
Ms. Wang Yuru**
Mr. Edmund Sit**

Registered and principal office:

No. 154 Jianshe Road
Luoyang, Henan Province
The PRC

** *Independent non-executive Director*

20 May 2021

To the Shareholders

Dear Sir or Madam,

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

I. INTRODUCTION

Reference is made to the announcement of the Company dated 13 May 2021 in relation to the amendments to the Articles of Association. This supplemental circular is to provide you with details on the proposed amendments to the Articles of Association.

LETTER FROM THE BOARD

II. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the operational development needs of the Company and the requirements for compliance operation of listed companies, the Board agreed to amend the Articles of Association. The details of the amendments to the Articles of Association are as follows:

Prior to the amendment	After the amendment
<p>Article 16 The scope of business of the Company shall be subject to the approval of the relevant administrations items authorized by the company registration authority.</p> <p>Upon registration as stipulated by laws, the scope of business of the Company includes: design, manufacture, sales and services in relation to agricultural machinery products such as tractors, harvesters and farm equipment and implement, and series products such as diesel engines, mobile power stations, electric generating sets, forklift trucks, casting parts and spare parts, as well as research and development of technologies, transfer, contracting and consultation services in relation to tractors and construction machineries; engaging in the imports and exports of self-manufacturing products of the Company (including the corporate members of the Company) and related technologies, except the products or technologies which are restricted to be exclusively engaged by the Company or prohibited for imports and exports by the State (For products which are subject to quota permit and specific regulations, relevant requirements of the State shall be followed).</p>	<p>Article 16 The scope of business of the Company shall be subject to the approval of the relevant administrations items authorized by the company registration authority.</p> <p>Upon registration as stipulated by laws, the scope of business of the Company includes: <u>general items: manufacturing of tractors; sales of agricultural machinery; manufacturing of agricultural machinery; sales of machinery and equipment; research and development of machinery and equipment; manufacturing of general equipment (excluding manufacturing of special equipment); manufacturing of electric generators and electric generating sets; sales of electric generators and electric generating sets; sales of special equipment; casting of ferrous metals; sales of high-quality special steel materials; manufacturing of forgings and powder metallurgy products; sales of forgings and powder metallurgy products; manufacturing of machinery parts for agriculture, forestry, animal husbandry and fishery; sales of machinery parts for agriculture, forestry, animal husbandry and fishery; technical services, technology development, technical consultation, technology exchanges, technology transfer and technology promotion; manufacturing of navigational, surveying and mapping, meteorological and marine special instruments; sales of navigational, surveying and mapping, meteorological and marine special instruments; software development; information systems integration services. Licensed items: manufacturing of special equipment; import and export of goods; import and export of technology.</u></p>

LETTER FROM THE BOARD

Prior to the amendment	After the amendment
<p>Article 137 The Board of the Company shall establish four special committees, such as the strategic and investment committee, audit committee, nomination committee and remuneration committee. Each special committee shall be accountable to the Board and perform the duties prescribed by the Articles of Association and the Board. Any proposals of the audit committee shall be submitted to the Board for consideration and approval. All member of the special committees shall be directors, among which, the majority of the members of the audit committee, the nomination committee and the remuneration committee shall be independent directors who also convene the meeting of such committees. The convener of the audit committee shall be an accounting professional. The Board is responsible for formulating working rules, to standardize the operation of the special committees.</p>	<p>Article 137 The Board of the Company shall establish <u>the audit committee and shall, as needed, establish relevant special committees such as the strategic committee, the nomination committee and the remuneration committee.</u> Each special committee shall be accountable to the Board and perform the duties prescribed by the Articles of Association and the Board. Any proposals of the audit committee shall be submitted to the Board for consideration and approval. All member of the special committees shall be directors, among which, the majority of the members of the <u>audit</u> committee, the nomination committee and the remuneration committee shall be independent directors who also convene the meeting of such committees. The convener of the <u>audit</u> committee shall be an accounting professional. The Board is responsible for <u>determining the names of special committees and their establishment and all other matters, and for</u> formulating working rules, to standardize the operation of the special committees.</p>

Save for the above amendments, the other provisions of the Articles of Association shall remain unchanged.

The proposed amendments to the Articles of Association are subject to the consideration and approval by the Shareholders at the AGM by way of special resolution.

The Company has received a written confirmation from its Hong Kong legal adviser, confirming that the proposed amendments to the Articles of Association comply with the applicable provisions under the Listing Rules. The Company has also received a written confirmation from its PRC legal adviser, confirming that the proposed amendments to the Articles of Association comply with the applicable laws and regulations in the PRC.

LETTER FROM THE BOARD

III. AGM

A notice for convening the AGM to be held at 2:15 p.m. on 8 June 2021 (Tuesday) at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC was despatched on 23 April 2021, and a supplemental notice of AGM is set out on pages 5 to 7 of this supplemental circular. The AGM will be held to seek the Shareholders' approval for, among other things, the resolution on the proposed amendments to the Articles of Association. Voting on the aforesaid resolutions will be taken by poll in accordance with the requirements of the Listing Rules. Please refer to the notice of AGM dated 23 April 2021 for details of the other resolutions to be proposed at the AGM.

Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying revised proxy form in accordance with the instructions printed thereon. The accompanying revised proxy form shall be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or at the registered address 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 AGM or any adjourned meeting thereof (as the case may be). Completion and delivery of the accompanying revised form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment (as the case may be) should you so wish.

IV. RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the amendments to the Articles of Association are in the interests of the Company and the Shareholders as a whole and therefore recommend all Shareholders to vote in favour of the relevant resolution for approving the amendments to the Articles of Association.

V. RESPONSIBILITY STATEMENT

This supplemental 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 supplemental 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 misleading.

Yours faithfully,
On behalf of the Board
First Tractor Company Limited
Yu Lina
Company Secretary

* *For identification purposes only*

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING



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)

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

This notice is supplemental to the notice dated 23 April 2021 (the “**Notice**”) of the 2020 annual general meeting (the “**AGM**”) of First Tractor Company Limited (the “**Company**”) to be held at 2:15 p.m. on 8 June 2021 (Tuesday) at No. 154 Jianshe Road, Luoyang, Henan Province, the People's Republic of China (the “**PRC**”).

Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the supplemental circular of the Company dated 20 May 2021.

According to Article 81 of the Articles of Association of the Company, shareholders individually or jointly holding more than 3% of the Company's shares may raise a provisional proposal and submit to the Board in writing 10 days prior to the date of the general meeting. The Board shall issue a supplemental notice of general meeting announcing the contents of the provisional proposals within 2 days upon receipt of the proposals.

The Board recently received a letter from the controlling shareholder of the Company, YTO Group Corporation, requesting for the inclusion of a special resolution at the AGM. According to Article 81 of the Articles of Association, the Board agreed to put forward a new special resolution at the AGM for the shareholders' consideration and approval.

The following special resolution is proposed to the AGM as special resolution numbered 1^(Note 1):

AS SPECIAL RESOLUTION:

“1. To consider and approve the amendments to the Articles of Association”

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

Luoyang, the PRC
20 May 2021

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

As at the date of this notice, the Board comprises Mr. Li Xiaoyu (Chairman), Mr. Cai Jibo (vice Chairman) and Mr. Liu Jiguo as executive Directors; Mr. Li Hepeng, Mr. Xie Donggang and Mr. Zhou Honghai as non-executive Directors; and Ms. Yang Minli, Ms. Wang Yuru and Mr. Edmund Sit as independent non-executive Directors.

Notes:

1. Please refer to the Notice for details in respect of other resolutions to be proposed at the AGM.
2. The register of members of the Company will be temporarily closed from 9 May 2021 to 7 June 2021 (both days inclusive) during which no transfer of shares of the Company (the “**Shares**”) would be registered in order to determine the list of shareholders of the Company (the “**Shareholders**”) for attending the AGM. The last lodgment for the transfer of the H Shares of the Company should be made on 7 May 2021 at Hong Kong Registrars Limited by or before 4:30 p.m.. The Shareholders or their proxies being registered on 7 May 2021 are entitled to attend the AGM 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.

3. PROXY FORM

Since the proxy form despatched on 23 April 2021 (the “**First Proxy Form**”) does not contain the additional resolution set out in this supplemental notice, a revised proxy form (the “**Second Proxy Form**”) has been prepared and is enclosed with this supplemental notice.

- (a) Each Shareholder having the rights to attend and vote at the AGM is entitled to appoint one or more proxies (whether a Shareholder or not) to attend and vote at the AGM on his behalf. Should more than one proxy be appointed by one Shareholder, such proxy shall only exercise his voting rights on a poll.
- (b) Shareholders can appoint a proxy by an instrument in writing (i.e. by using the Second Proxy Form enclosed). The Second Proxy Form shall be signed by the person appointing the proxy or an attorney authorized by such person in writing. If the Second Proxy Form is signed by an attorney, the power of attorney or other documents of authorization shall be notarially certified. To be valid, the Second 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 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 24 hours before the time scheduled for the holding of the AGM or any adjournment thereof.
- (c) Shareholders who have lodged the First Proxy Form with the Company should note that:
 - (i) If no Second Proxy Form is lodged with the Company’s H Share registrar, the First Proxy Form, if correctly completed, will be treated as a valid proxy form lodged by him/her. The proxy so appointed will be entitled to cast the vote at his/her discretion or to abstain from voting on any resolution properly put to the AGM except for those resolutions to which the Shareholder has indicated his/her voting direction in the First Proxy Form.
 - (ii) If the Second Proxy Form is lodged with the Company’s H Share registrar not less than 24 hours before the time scheduled for the holding of the AGM or any adjournment thereof (the “**Closing Time**”), the Second Proxy Form, if correctly completed, will revoke and supersede the First Proxy Form previously lodged by him/her. The Second Proxy Form will be treated as a valid proxy form lodged by the Shareholder.

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

- (iii) If the Second Proxy Form is lodged with Company's H Share registrar after the Closing Time, or if lodged before the Closing Time but is incorrectly completed, the proxy appointment under the Second Proxy Form will be invalid. The proxy so appointed under the First Proxy Form, if correctly completed, will be entitled to vote in the manner as mentioned in (i) above as if no Second Proxy Form was lodged with the Company's H Share registrar. Accordingly, Shareholders are advised to complete the Second Proxy Form carefully and lodge the Second Proxy Form with the Company's H Share registrar before the Closing Time.
- (d) Completion and return of the First Proxy Form and/or the Second Proxy Form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Shareholders who intend to attend the AGM 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., 19 May 2021.

4. Shareholders or their proxies shall present proofs of their identities upon attending the AGM.
5. The AGM is expected to last for less than one day. The Shareholders and proxies attending the AGM shall be responsible for their own travelling and accommodation expenses.
6. The Company's registered address:

No. 154 Jianshe Road, Luoyang, Henan Province, the PRC

Postal code: 471004
Telephone: (86-379) 6497 0213; 6497 0545
Facsimile: (86-379) 6496 7438
Email: msc0038@ytogroup.com

* *For identification purposes only*