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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)

**MONTHLY PROGRESS UPDATE  
IN RELATION TO**

- (1) PROPOSED NON-PUBLIC ISSUANCE OF NEW A SHARES;**
- (2) CONNECTED TRANSACTION – PROPOSED SUBSCRIPTION OF A SHARES BY YTO GROUP CORPORATION;**
- (3) APPLICATION FOR WHITEWASH WAIVER; AND**
- (4) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION**

References are made to (a) the announcement of First Tractor Company Limited\* (the “**Company**”) dated 23 April 2020 (the “**First Announcement**”) in relation to, among other things, a proposed non-public issuance of A Shares by the Company, the A Shares subscription agreement entered into between the Company and YTO Group Corporation, the related proposed application for a Whitewash Waiver from the Executive of the SFC, and proposed amendments to the Articles of Association, and (b) the announcement dated 14 May 2020 in relation to, among other things, the delay in dispatch of circular (the “**Delay Announcement**”).

Unless otherwise defined in this announcement, capitalized terms used in this announcement shall have the same meanings as those defined in the First Announcement.

In the First Announcement, it was mentioned that a circular containing, among other things, (i) further information of the Proposed A Shares Issue, the Specific Mandate, and the Whitewash Waiver; (ii) a letter from the Independent Board Committee and a letter of advice from the Independent Financial Adviser; and (iii) the notices of the General Meeting and the Class Meeting for holders of H Shares (the “**Circular**”) was expected to be despatched to the Shareholders on or before 14 May 2020 (that is, within 21 days of the date of the First Announcement, as is normally required under Rule 8.2 of the Takeovers Code).

As stated in the Delay Announcement, an application was made by the Company to the Executive for its consent to extend the time limit under Rule 8.2 of the Takeovers Code and to extend the latest time for the despatch of the Circular from 14 May 2020 to a date on or before 13 July 2020. The Executive has subsequently granted such consent.

The Company wishes to update its Shareholders that the Company is still in the process of preparing and finalising certain information to be contained in the Circular, including but not limited to the letter from the Independent Board Committee and the letter of advice from the Independent Financial Adviser. In addition, the Company has obtained a confirmation from the Executive that a valuation of properties of the Company and its subsidiaries under Rule 11.1(f) of the Takeovers Code is not required.

Further announcement(s) setting out the progress of the Proposed A Shares Issue will be made as and when necessary in accordance with the Listing Rules and the Takeovers Code, and on a monthly basis until the despatch of the Circular.

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

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

Luoyang, the PRC  
12 June 2020

*As at the date of this announcement, 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.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

\* *For identification purposes only*