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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)

COMPLETION OF THE PROPOSED A SHARE ISSUE

Reference is made to the circular (the “**Circular**”) of First Tractor Company Limited* (the “**Company**”) dated 8 July 2020 in relation to, among other things, details of the Proposed A Shares Issue, the Specific Mandate and the Whitewash Waiver. Unless otherwise defined in this announcement, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that, on 9 February 2021, the Company has completed the Proposed A Share Issue and registered such new shares with China Securities Depository and Clearing Co., Ltd. Shanghai Branch. Upon completion of the Proposed A Share Issue, the total number of Shares increased from 985,850,000 Shares to 1,123,645,275 Shares, and the total number of A Shares increased from 593,910,000 A Shares to 731,705,275 A Shares.

BASIC INFORMATION ON THE PROPOSED A SHARE ISSUE

Class of Shares	:	A Shares
Nominal value per Share	:	RMB1.00
Number of Shares issued	:	137,795,275 A Shares
Issue price	:	a cash issue price of RMB5.08 per A Share
Gross proceeds	:	RMB 699,999,997

Costs of the issuance (taking into account the deduction of value-added tax)	:	RMB 5,821,352.33
Net proceeds	:	RMB 694,178,644.67
Lock-up period	:	YTO Group Corporation shall not transfer the A Shares subscribed for under the Proposed A Shares Issue within 36 months from the date of completion of the Proposed A Shares Issue.

The above lock-up arrangement shall also apply to Shares derived from the A Shares subscribed by YTO Group Corporation under the Proposed A Shares Issue due to distribution of bonus shares and conversion of capital reserves to share capital.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Details of the shareholding structure of the Company immediately before and after the completion of the Proposed A Share Issue are set out below.

	Immediately before completion of the Proposed A Share Issue		Immediately after completion of the Proposed A Share Issue	
	Number of Shares held	Approximate percentage of the total number of Shares in issue	Number of Shares held	Approximate percentage of the total number of Shares in issue
<i>A Shares:</i>				
YTO Group Corporation	410,690,578	41.66%	548,485,853	48.81%
Public Shareholders	183,219,422	18.58%	183,219,422	16.31%
Subtotal	593,910,000	60.24%	731,705,275	65.12%

	Immediately before completion of the Proposed A Share Issue		Immediately after completion of the Proposed A Share Issue	
	Number of Shares held	Approximate percentage of the total number of Shares in issue	Number of Shares held	Approximate percentage of the total number of Shares in issue
<i>H Shares:</i>				
YTO Group Corporation	0	0	0	0
Public Shareholders	391,940,000	39.76%	391,940,000	34.88%
Subtotal	391,940,000	39.76%	391,940,000	34.88%
<i>Total Issued Shares:</i>				
YTO Group Corporation	410,690,578	41.66%	548,485,853	48.81%
Public Shareholders	575,159,422	58.34%	575,159,422	51.19%
	985,850,000	100%	1,123,645,275	100%

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

Luoyang, the PRC
18 February 2021

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