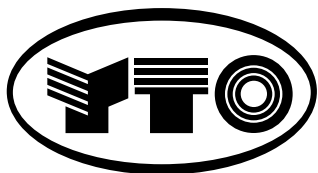


*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.*



**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 9 November 2012 (Friday) 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 resolutions:

*Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the announcements of the Company dated 21 September 2012.*

### **A. ORDINARY RESOLUTION**

1. To consider and approve the resolution of provision of external guarantee by First Tractor Company Limited.

(Provided that the relevant requirements of the CSRC, relevant requirements of the Hong Kong Listing Rules (including but not limited to Chapters 14 and 14A) and other relevant requirements are complied with, the Company be hereby approved to provide guarantee for the lessees and purchasers under the financial lease and buyer credit businesses of the Company for agricultural machines such as large or medium sized tractors with an amount of not more than RMB120 million; the validity period of the aforesaid guarantee is from 9 November 2012 to 31 December 2013. The chairman of the Board of the Company be hereby authorized to approve the contents of the guarantee agreements and any other relevant matters such as their signing and execution during the validity period of the guarantee.)

## **B. SPECIAL RESOLUTIONS**

2. To consider and approve the following resolutions in relation to the issue of Corporate Bonds:

2.1 **Issue size of the Corporate Bonds:** The Company proposes to issue the Corporate Bonds with an aggregate principal amount of not more than RMB1,500,000,000 (inclusive of RMB1,500,000,000) in the PRC. The Board or such persons as authorized by the Board shall be granted the authority to determine the specific issue size in respect of the Issue of Corporate Bonds in accordance with the capital needs of the Company and market conditions at the time of issue within the aforesaid scope.

2.2 **Coupon rate and way of determination:** The Board or such persons as authorized by the Board shall be granted the authority to determine the coupon rate of the Corporate Bonds, and such determination shall be made together with the sponsor (the lead underwriter) after taking into account the relevant national regulations of the PRC and the market conditions at the time of issue and after reporting to the regulatory authorities.

2.3 **Arrangement for placement to the Shareholders:** The Corporate Bonds will not be preferentially placed to the Shareholders of the Company, nor will they be offered to the public in Hong Kong.

- 2.4 **Maturity of the Corporate Bonds:** The maturity of the Corporate Bonds shall not exceed 5 years (inclusive of 5 years). The Corporate Bonds can be with single maturity period or with various maturity periods. The Board or such persons as authorized by the Board shall be granted the authority to determine the specific maturity structure of the Corporate Bonds and the offer size for Corporate Bonds with different maturity structure in accordance with the relevant regulations, the Company's capital needs and the market conditions at the time of issue.
- 2.5 **Use of proceeds:** The proceeds from the Issue of Corporate Bonds are intended to be used to replenish the Company's working capital and repay bank loans.
- 2.6 **Validity period of the resolution in respect of the Issue of Corporate Bonds:** The resolution in respect of the Issue of Corporate Bonds shall be valid for 24 months from the date of approval at the EGM.
- 2.7 **Safeguard measures for debt repayment:** The Company shall at least adopt the following safeguard measures if it is expected that the principal and interest of the Corporate Bonds cannot be repaid on schedule or the principal and interest of the Corporate Bonds cannot be repaid when due-
- (i) No profit shall be distributed to the Shareholders;
  - (ii) The implementation of capital expenditure projects such as major external investments, acquisitions and mergers shall be temporarily suspended;
  - (iii) Wages and bonus payable to the Directors and senior management shall be adjusted and reduced or suspended;
  - (iv) The main responsible person(s) shall not be relocated.

## 2.8 Matters to be authorized to the Board:

In order to effectively and orderly complete the relevant works in connection with the Issue of Corporate Bonds, the Company shall, in accordance with the Company Laws, Securities Law and Pilot Rules on the Issuance of Corporate Bonds of the PRC as well as the Articles of Association, propose to the EGM to authorize the Board or such persons as authorized by the Board to handle all matters in relation to the Issue of Corporate Bonds at their full discretion, in accordance with the Company's specific needs and other market conditions, including but not limited to-

- (i) Formulate the specific issue plan, and amend and adjust the issue terms of the Issue of Corporate Bonds in accordance with the actual circumstances of the Company and the market, including but not limited to all matters in relation to the terms of the issue such as the issue size, maturity of the Corporate Bonds, coupon rate of the Corporate bonds and its way of determination, timing of the issue, whether the bonds will be issued in tranches and number of tranches, whether the repurchase terms or redemption terms will be set, guarantee, maturity and ways of repayment of principal and interest, place of listing, and the determination of the specific use of proceeds;
- (ii) Appoint intermediaries to handle the reporting matters in respect of the Issue of Corporate Bonds;
- (iii) Select the custodian of the Corporate Bonds, execute the Corporate Bonds custody management agreement and formulate the rules of procedures for the meetings of holders of Corporate Bonds;
- (iv) Sign, execute and amend the contracts, agreements and documents in relation to the Issue of Corporate Bonds, and make relevant information disclosure in accordance with the laws, regulations and other regulatory documents;
- (v) Handle matters in relation to the listing of the Corporate Bonds issued upon completion of the Issue of Corporate Bonds;

- (vi) In the event of change in the policies of the relevant regulatory authorities concerning issue of corporate bonds or change in the market conditions, other than matters which are required to be put to vote again by the Shareholders at the general meeting pursuant to the relevant laws, regulations and the Articles of Association, authorize the Board or such persons as authorized by the Board to make corresponding adjustments to the matters in relation to the plan of the Issue of Corporate Bonds based on the opinions of the regulatory authorities;
- (vii) Handle other matters in relation to the Issue of Corporate Bonds and its listing; and
- (viii) Such authorization shall be effective from the date of approval at the EGM to the date of completion of the above authorized matters.

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

Luoyang, the PRC  
21 September 2012

*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; two non-executive Directors, namely, Mr. Yan Linjiao and Mr. Liu Yongle; 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 10 October 2012 to 8 November 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 9 October 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 9 October 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., 19 October 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*