



DISCLOSURE OF SIGNIFICANT EVENTS

In June 2002, the Company acquired 99.9% interest in First Tractor Group Finance Limited (the “Finance Company”) from the Holding for a consideration of RMB838,000. Subsequently, the Company has undertaken reorganization in respect of the registered capital and shareholding of the Finance Company in accordance with the provisions and requirements of the People’s Bank of China. Currently, the Finance Company is applying to the People’s Bank of China for the relevant approval.

On 23 August 2002, the Board of the Company unanimously approved the appointment of Mr. Zhang Guo Long as company secretary and the retirement of Mr. Jiang Guo Liang from the position of company secretary.