

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 2002 Annual General Meeting (“AGM”) of First Tractor Company Limited (“the Company”) will be held at No.154, Jianshe Road, Luoyang, Henan Province, the People’s Republic of China (“PRC”) on Friday, 13 June 2003 at 9:00 a.m. for the purpose of passing the resolutions as listed below:

## 1. AS ORDINARY RESOLUTIONS:

1. To consider and approve the Report of the Board of Directors for the year 2002;
2. To consider and approve the Report of the Supervisory Committee for the year 2002;
3. To consider and approve the audited financial report for the year 2002;
4. To consider and approve the dividend distribution proposal for the year ended 31 December 2002;
5. To consider and approve the re-appointment of Ernst & Young as auditors of the Company for the year ending 31 December 2003 and to authorise the Board of Directors of the Company to determine the terms for such appointment;
6. To consider and approve the remuneration proposals for the directors and supervisors of the Company;
7. To consider, approve and confirm the extension of the term of office of the second Board of Directors and the second Supervisory Committee to 30 June 2003;
8. To elect members of the third Board of Directors and determine on their term of office with effect from 1 July 2003 for a term of three years;
9. To elect and determine supervisors from shareholders for the third Supervisory Committee for a term of three years with effect from 1 July 2003; and
10. Other matters.

## 2. AS SPECIAL RESOLUTIONS:

1. Subject to the stipulations of Article 12 of the “Company Law of the People’s Republic of China”, to authorise the Board of Directors of the Company to determine any investment plan or proposal in respect of other limited companies, joint stock limited companies or other economic entities or projects, including but not limited to decisions on projects of investment, the companies or other economic entities to be invested, the amount, the investment method (including by way of issuance of the domestic shares or overseas listed foreign shares) and the time of investment and the execution of the relevant agreements and other documents;

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2. To approve the Company of placing, issuing or dealing with domestic shares and H shares solely or jointly within the relevant period (as defined hereunder) with an amount of no more than 20% of the issued shares of that class of shares provided that Hong Kong Exchange and Clearing Ltd. and the China Securities Regulatory Commission grant relevant approval, and to authorize the Board of Directors of the Company to handle the matters in relation to such placement or issue;

For the purpose of this resolution, "relevant period" means the period from the date of passing this resolution to the earlier of:

- (a) the last day of the 12 months from the date of passing this resolution; or
  - (b) the date on which the authorization under this resolution is revoked or amended by a special resolution passed at a general meeting of the Company.
3. To authorise the Board of Directors of the Company to declare an interim dividend to the shareholders of the Company for the half year ended 30 June 2003.

## **Candidates for directors and supervisors, and profile of newly nominated candidate:**

Except Mr. Cui Qi Hong, other members of the second Board of Directors were nominated as candidates for executive directors and independent non-executive directors of the third Board of Directors. Mr. Zhao Yan Shui was a newly nominated candidate for executive director of the third Board of Directors.

With respect to the third Supervisory Committee, Mr. Liu A Nan, Mr. Zhao Zhong Hai and Mr. Xu Wei Lin were still nominated as candidates for supervisors represented by shareholders in the third Supervisory Committee.

(The profile of the above directors' and supervisors' candidates are set out in pages 18 to 20 of this annual report).

## **Profile of Mr. Zhao Yan Shui:**

Mr. Zhao Yan Shui, aged 39. Mr. Zhao joined First Tractor Group in 1983 where he was a Section Head and Deputy Factory Manager and was the Deputy Chief Engineer and Deputy General Manager of the Company. He is currently the Deputy General Manager of China First Tractor Group Company Ltd. He has substantial experience in product development and design, and technical management. He completed his studies at the University of Hokkaido and the University of Kyoto in Japan for a year as a visiting scholar in 1994 and 2001 respectively. He is currently the Deputy Governor of the Association of Construction Engineering Industry of China and the Association of Agriculture Machinery of China as well as a member of the 9<sup>th</sup> editorial board for the magazine *Construction Machinery*. He studied at the Agricultural Machinery Department of the Technical Institute of Jiangsu and was a postgraduate of the Technical Institute of Jiangsu with a bachelor's and a master's degree in engineering. He holds the title of Senior Engineer.

By order of the Board

**Zhang Guo Long**

*Company Secretary*

Luoyang, the PRC

25 April 2003

Notes:

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1. The register of members of the Company's shares will be temporarily closed from 14 May 2003 to 13 June 2003 (both days inclusive) during which no transfer of shares will be registered in order to determine the list of shareholders for attending the AGM. The last lodgement for share transfer should be made on 13 May 2003 at Hong Kong Registrars Limited by or before 4:00 p.m. The Company's shareholders or their proxies being registered before the close of business on 13 May 2003 are entitled to attend the AGM by presenting their identity documents. The address of H share registrar of the Company, Hong Kong Registrars Limited is Room 1901-1905, 19/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
2. 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 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 authorised by such person in writing. If the Proxy Form is signed by an attorney, the power of attorney or other documents of authorisation shall be notarially certified. To be valid, the Proxy Form and the notarially certified power of attorney or other documents of authorisation must be delivered to the above legal address of the Company in not less than 24 hours before the time scheduled for the holding of the AGM.
4. Shareholders or proxies who intend to attend the AGM are requested to deliver the reply slip for attendance duly completed and signed to the Company in person, by post or by facsimile on or before Friday, 23 May 2003.
5. Shareholders or their proxies shall present proofs of their identities upon attending the AGM. Should a proxy be appointed, the proxy shall also present the Proxy Form.
6. 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.
7. The Company's registered address:

No. 154, Jianshe Road, Luoyang, Henan Province, the PRC  
Postal code: 471004  
Telephone: 86-379-4967038  
Facsimile: 86-379-4967438  
Email: msc0038@vip.317.net