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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)

ANNOUNCEMENT IN RESPECT OF 2025 INTERIM DIVIDEND

Reference is made to the announcement of First Tractor Company Limited* (the "**Company**") dated 28 August 2025 in respect of, among other things, the interim dividend distribution plan for 2025 (the "**Profit Distribution Announcement**").

As disclosed in the Profit Distribution Announcement, the board (the "**Board**") of directors of the Company recommended the following interim dividend distribution proposal for 2025: a cash dividend of RMB0.06844 per share (including tax) on the basis of the total share capital of the Company as at the record date for dividend distribution. Further explanation in respect of the payment of interim dividend for 2025 to the holders of H Shares of the Company is set out below:

CLOSURE OF REGISTER OF MEMBERS

In order to determine the list of holders of H Shares who are entitled to receive the interim dividend for 2025, the Company's register of members of H Shares will be closed from 2 October 2025 to 8 October 2025, both days inclusive. In order to be entitled to receive the interim dividend, holders of H Shares of the Company shall deposit the transfer documents together with the relevant share certificate(s) at the H shares registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:00 p.m. on 30 September 2025. The shareholders or their proxies being registered before the close of business on 8 October 2025, being the record date for the 2025 interim dividend (the "**Record Date**"), are entitled to receive the 2025 interim dividend.

2025 INTERIM DIVIDEND AND TAXATION ARRANGEMENT

1. For holders of H Shares of the Company (excluding Mainland investors who hold H Shares of the Company via the Shanghai-Hong Kong Stock Connect Program or the Shenzhen-Hong Kong Stock Connect Program)

   (1) Distribution of dividend to the holders of H Shares of the Company shall be denominated in RMB, and paid in Hong Kong dollars. The formula of its calculation is as follows:

   Conversion price of dividend = Value of Dividend in RMB/Average median price for conversion of HK$ to RMB announced by the People's Bank of China in all working days during the week prior to the dividend declaration date

   In respect of the current distribution of dividend, the Company's dividend declaration date is 28 August 2025. The average median price for conversion of HK$ to RMB announced by the People's Bank of China in all working days during the week prior to the dividend declaration date is HK$100 = RMB91.21. Therefore, the dividend attributable to each H share of the Company is HK$0.075 (including tax).

   (2) In general, pursuant to the Corporate Income Tax Law of the PRC and its implementing regulations, which came into force on 1 January 2008, and other relevant rules, the Company is required to withhold for payment of corporate income tax at the rate of 10% before distributing the dividend to non-resident enterprise (as defined in the Corporate Income Tax Law of the PRC) shareholders whose names appear on the H share register of members of the Company on the Record Date. Any H Shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other groups and organizations, will be treated as being held by non-resident enterprise shareholders, thus, the Company will distribute the dividend to such non-individual shareholders after withholding the 10% corporate income tax. The individual income tax will not be withheld from the dividend payable to any natural person shareholders whose names appear on the H share register of members of the Company on the Record Date.

(3) The Company will strictly comply with the relevant PRC tax laws and regulations to withhold for payment of the 10% corporate income tax; and the dividend will only be payable to the shareholders whose names appear on the H share register of members of the Company on the Record Date. The Company assumes no responsibility or liability whatsoever for confirming the identity of the shareholders of the Company and for any claims arising from any delay in or inaccurate determination of the identity of shareholders of the Company or any disputes over the withholding mechanism.

(4) The Company has appointed Bank of China (Hong Kong) Limited as the receiving agent for the holders of H Shares, to receive the dividend distributed by the Company in respect of H Shares on behalf of the holders of H Shares. The cheques for the Company's H share dividend will be issued by the receiving agent and are expected to be sent by ordinary mail on 31 October 2025 to holders of H Shares whose name appear on the register of members of the Company on the Record Date at the own risks of the receivers.

2. For Mainland investors who hold H Shares of the Company via the Shanghai-Hong Kong Stock Connect Program

(1) Dividend payable to Mainland individual and enterprise investors who hold H Shares of the Company via the Shanghai-Hong Kong Stock Connect Program shall be distributed in RMB. The Company has entered into agreement with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited ("**CSDC**"), pursuant to which, the Shanghai Branch of CSDC, as the nominee of the holders of H Shares via the Shanghai-Hong Kong Stock Connect Program, will receive cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares via the Shanghai-Hong Kong Stock Connect Program through its depositary and clearing system. It is expected that the Company would distribute the cash dividends to the Shanghai Branch of CSDC on 31 October 2025.

(2) Pursuant to the "Notice on the Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market(《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號))" (Cai Shui [2014] No. 81):

- For Mainland individual investors who invest in the H Shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20% in the distribution of dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of CSDC for tax credit relating to the withholding tax already paid abroad. For Mainland securities investment funds that invest in the H Shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax in the distribution of dividend pursuant to the foregoing provisions; and

- For Mainland corporate investors who invest in the H Shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will not withhold the income tax in the distribution of dividend and the Mainland corporate investors shall file the tax returns on their own.

3. For Mainland investors who hold H Shares of the Company via the Shenzhen-Hong Kong Stock Connect Program

(1) Dividend payable to Mainland individual and enterprise investors who hold H Shares of the Company via the Shenzhen-Hong Kong Stock Connect Program shall be distributed in RMB. The Company has entered into agreement with the Shenzhen Branch of CSDC, pursuant to which, the Shenzhen Branch of CSDC, as the nominee of the holders of H Shares via the Shenzhen-Hong Kong Stock Connect Program, will receive cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares via the Shenzhen-Hong Kong Stock Connect Program through its depositary and clearing system. It is expected that the Company would distribute the cash dividends to the Shenzhen Branch of CSDC on 31 October 2025.

(2) Pursuant to the "Notice on the Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shenzhen Stock Market and the Hong Kong Stock Market(《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號))" (Cai Shui [2016] No. 127):

- For Mainland individual investors who invest in the H Shares of the Company via the Shenzhen-Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20% in the distribution of dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of CSDC for tax credit relating to the withholding tax already paid abroad. For Mainland securities investment funds that invest in the H Shares of the Company via the Shenzhen-Hong Kong Stock Connect Program, the Company will withhold individual income tax in the distribution of dividend pursuant to the foregoing provisions; and

- For Mainland corporate investors who invest in the H Shares of the Company via the Shenzhen-Hong Kong Stock Connect Program, the Company will not withhold the income tax in the distribution of dividend and the Mainland corporate investors shall file the tax returns on their own.

4. Should the holders of H Shares of the Company have any queries in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in Mainland China, Hong Kong and other countries (regions) on the possession and disposal of the H Shares of the Company.

5. For details on the time and arrangement for distribution of dividend in respect of domestic A Shares of the Company, please refer to the announcement disclosed by the Company on the Shanghai Stock Exchange on 9 September 2025.

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

Luoyang, the PRC
15 September 2025

As at the date of this announcement, the Board comprises Mr. Zhao Weilin (Chairman) and Mr. Wei Tao as executive Directors; Mr. Fang Xianfa, Mr. Yang Jianhui and Mr. Miao Yu as non-executive Directors; and Mr. Wang Shumao, Mr. Xu Liyou and Ms. Wong Yee Man as independent non-executive Directors.

* *For identification purposes only*