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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: 00038)

ANNOUNCEMENT IN RELATION TO THE RECOGNITION OF THE FAIR VALUE CHANGES FOR THE FIRST HALF OF 2026

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of First Tractor Company Limited* (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong).

The Board and all Directors hereby warrant that the content of this announcement does not contain false information, misleading statements or material omissions, and accept several and joint responsibilities for the truthfulness, accuracy and completeness of its contents.

In accordance with the relevant provisions of the Accounting Standards for Business Enterprises and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, in order to truly and accurately reflect the financial position of First Tractor Company Limited (hereinafter referred to as the Company) as of 30 June 2026, the Company recognises the corresponding fair value changes for financial assets and financial liabilities measured at fair value.

I. DETAILS OF THE RECOGNITION OF THE FAIR VALUE CHANGES

The Company recognises the fair value of financial assets and financial liabilities measured at fair value through profit or loss every six months and calculates the fair value change gain. During the period, the Company recognised a fair value change gain of RMB-95,822,200, mainly due to changes in the fair value of the Company's 6.875% equity interests held in Luoyin Financial Leasing Co., Ltd. (a trading financial asset) and 0.8827% equity interests in Zhongyuan Bank (a trading financial asset) held by its controlling subsidiary, YTO (Luoyang) Diesel Engine Co., Ltd. Based on valuation reports issued by third party appraisal institutions for financial reporting purposes, the Company recognised a total fair value change gain of RMB-95,800,000.

II. IMPACT OF THE RECOGNITION OF THE FAIR VALUE CHANGES ON THE COMPANY

The recognition of the fair value changes gain will reduce the total profit of the Company for the first half of 2026 by RMB95,822,200 on a consolidated financial statement basis. The amount of the changes in fair value has not been audited. The impact on the Company's profit for 2026 shall be subject to the 2026 annual report to be published by the Company.

The above fair value changes gain are non-recurring profit or loss items and will not affect the Company's net profit attributable to shareholders of the listed company net of non-recurring profit or loss for the first half of 2026. Investors are advised to pay attention to investment risks.

The recognition of the fair value changes gain is in compliance with the relevant requirements of the Accounting Standards for Business Enterprises, and fairly reflects the asset position of the Company. It does not affect the normal operation of the Company, nor are there any circumstances that would prejudice the interests of the Company and all of its shareholders.

By Order of the Board
FIRST TRACTOR COMPANY LIMITED*
LIU Bin
Joint Company Secretary

Luoyang, the PRC
25 August 2026

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. Sun Feng as non-executive Directors; Mr. Wang Shumao, Mr. Xu Liyou and Ms. Wong Yee Man as independent non-executive Directors; and Mr. Li Peng as employee representative Director.

* *For identification purposes only*