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 RESPECT OF 2026 INTERIM DIVIDEND

Reference is made to the announcement of First Tractor Company Limited* (the "**Company**") dated 25 August 2026 in respect of, among other things, the interim dividend distribution plan for 2026 (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 2026: a cash dividend of RMB0.06962 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 2026 to the holders of H shares ("**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 2026, the Company's register of members of H Shares will be closed from 6 October 2026 to 9 October 2026, both days inclusive. In order to be entitled to receive the interim dividend, holders of H Shares 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 5 October 2026. The shareholders (the "**Shareholders**") of the Company or their proxies being registered before the close of business on 9 October 2026, being the record date for the 2026 interim dividend (the "**Record Date**"), are entitled to receive the 2026 interim dividend.

2026 INTERIM DIVIDEND AND TAXATION ARRANGEMENT

1. For holders of H Shares (excluding Mainland investors who hold H Shares 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 shall be denominated in RMB, and paid in Hong Kong dollars. The formula for 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 25 August 2026. 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 = RMB86.51. Therefore, the dividend attributable to each H share is HK$0.08 (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, 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-resident enterprise Shareholders after withholding the 10% corporate income tax.

(3) Pursuant to the provisions of the Announcement of the Ministry of Finance and the State Taxation Administration on Issues Concerning the Individual Income Tax Policies on Dividends and Bonus of Foreign Individuals (Announcement No. 27 of 2026 of the Ministry of Finance and the State Taxation Administration) (《財政部稅務總局關於外籍個人股息紅利個人所得稅政策有關事項的公告》(財政部稅務總局公告2026年第27號)), the Company shall withhold for payment of individual income tax at a rate of 20% on dividends payable to oversea individual Shareholders whose names appear on the H share register of members of the Company on the the Record Date.

(4) The Company will strictly comply with the relevant PRC tax laws and regulations to withhold for payment of 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 and for any claims arising from any delay in or inaccurate determination of the identity of Shareholders or any disputes over the withholding mechanism.

(5) 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 13 November 2026 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 via the Shanghai-Hong Kong Stock Connect Program

(1) Dividend payable to Mainland individual and enterprise investors who hold H Shares 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 before 13 November 2026.

(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 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 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 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 via the Shenzhen-Hong Kong Stock Connect Program

(1) Dividend payable to Mainland individual and enterprise investors who hold H Shares 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 before 13 November 2026.

(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 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 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 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 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.

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 10 September 2026.

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

Luoyang, the PRC
18 September 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*