
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in **FIRST TRACTOR COMPANY LIMITED**, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

INCREASE THE CAP AMOUNTS OF 2023 RELATED TRANSACTIONS BETWEEN THE COMPANY AND ZF AXLE COMPANY; ELECTION OF A DIRECTOR; AMENDMENTS OF THE ARTICLES OF ASSOCIATION; AMENDMENTS OF THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS; AND NOTICE OF EGM

Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those set out in the section headed "Definitions" of this circular.

The notice for convening the EGM to be held at 2:15 p.m. on 8 December 2023, Friday, at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC is set out on pages EGM-1 to EGM-3 of this circular. A letter from the Board is set out on pages 3 to 12 of this circular. A form of proxy for use at the EGM is enclosed.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. The relevant proxy forms shall be lodged with the Company's H Share registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or (for holders of A Shares) at the registered address at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC, as soon as possible and in any event not less than 24 hours before the time scheduled for holding the EGM and the Class Meeting for Holders of H Shares or any adjourned meeting (as the case may be). Completion and deposit of the proxy forms will not preclude you from attending and voting in person at the EGM or any adjourned meeting (as the case may be) should you so wish. Completion and deposit of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish. If you attend and vote at the EGM in person, the authorization granted to your proxy will be deemed revoked.

20 November 2023

* For identification purposes only

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
APPENDIX I – COMPARATIVE TABLE OF THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION	13
APPENDIX II – COMPARATIVE TABLE OF THE AMENDMENTS TO THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS	25
EGM Notice	EGM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meanings:

“A Share(s)”	the domestic ordinary share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange and subscribed for and traded in RMB;
“Articles” or “Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors;
“Company”	First Tractor Company Limited* (第一拖拉機股份有限公司), a joint stock company with limited liability incorporated in the PRC, the H shares and A Shares of which are listed on the main board of the Stock Exchange and the Shanghai Stock Exchange respectively;
“connected person(s)”	has the same meaning as ascribed to this term under the Hong Kong Listing Rules;
“controlling shareholder”	has the same meaning as ascribed to this term under the Hong Kong Listing Rules;
“Director(s)”	the director(s) of the Company;
“EGM”	the 2023 second extraordinary general meeting of the Company to be convened and held at 2:15 p.m. on 8 December 2023, Friday, at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC, to consider and, if thought fit, approve the resolutions as set out in the EGM notice;
“Group”	the Company and its subsidiaries;
“H Share(s)”	the overseas listed foreign share(s) having a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for and traded in Hong Kong dollars, all of which are listed on the Stock Exchange;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
“PRC”	The People’s Republic of China;

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC;
“Rules of Procedures for Board of Directors”	the rules of procedures for board of directors to the Articles of Association of the Company;
“SFO”	the Securities Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Shanghai Listing Rules”	Rules Governing the Listing of Shares on Shanghai Stock Exchange;
“Shareholder(s)”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“YTO”	YTO Group Corporation* (中國一拖集團有限公司), a limited liability company incorporated in the PRC and the controlling shareholder of the Company, holding approximately 48.81% equity interest in the Company;
“ZF China”	ZF (China) Investment Co., Ltd.;
“ZF Axle Company”	ZF YTO (Luoyang) Axle Co., Ltd.;
“ZF Hangzhou”	ZF Drivotech (Hangzhou) Co., Ltd.; and
“%”	per cent.

* For identification purposes only

Certain figures set out in this circular are subject to rounding adjustments. Accordingly, figures shown as the currency conversion or percentage equivalents may not be an arithmetic sum of such figures.

Any discrepancy in any table between totals and sums of amounts listed in this circular is due to rounding.

The English names of the Chinese nationals, companies, entities, departments, facilities, certificates, titles and the like are translation of their Chinese names and are included in this circular for identification purposes only and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese names prevail.

LETTER FROM THE BOARD



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)

Board of Directors:

Mr. Liu Jiguo (*Chairman*)

Mr. Zhang Zhiyu

Mr. Fang Xianfa

Mr. Zhang Bin

Mr. Edmund Si**

Mr. Wang Shumao**

Mr. Xu Liyou**

Registered and principal office:

No.154 Jianshe Road

Luoyang, Henan Province

The People's Republic of China

** *Independent non-executive Director*

20 November 2023

To the Shareholders

Dear Sir or Madam,

**INCREASE THE CAP AMOUNTS OF 2023 RELATED TRANSACTIONS
BETWEEN THE COMPANY AND ZF AXLE COMPANY;
ELECTION OF A DIRECTOR;
AMENDMENTS OF THE ARTICLES OF ASSOCIATION;
AMENDMENTS OF THE RULES OF PROCEDURES
FOR BOARD OF DIRECTORS; AND
NOTICE OF EGM**

I. INTRODUCTION

The purpose of this circular is to (i) provide you with information regarding the resolutions to be proposed at the EGM for approval, including (1) related transactions on the increase in the annual caps for each of the Sales Framework Agreement and the Licence and Technology Agreement under the Shanghai Listing Rules; (2) election of a Director; (3) amendments of the Articles of Association; (4) amendments of the Rules of Procedures for Board of Directors; and (ii) give you the EGM notice.

LETTER FROM THE BOARD

II. RELATED TRANSACTIONS ON INCREASE IN THE ANNUAL CAPS FOR EACH OF THE SALES FRAMEWORK AGREEMENT AND THE LICENCE AND TECHNOLOGY AGREEMENT UNDER SHANGHAI LISTING RULES

Background of the Related Transactions between the Company and ZF Axle Company

As disclosed in the announcements (by way of overseas regulatory announcement) of the Company dated 18 July 2014, 20 December 2022 and 9 October 2023, the Company entered into, among others, the Sales Framework Agreement and the Licence and Technology Agreement with ZF Axle Company.

The deputy general manager of the Company is the chairman of ZF Axle Company, ZF Axle Company is a related legal person of the Company under Rule 6.3.3 of the Shanghai Listing Rules. Accordingly, the transactions contemplated under the Sales Framework Agreement and the Licence and Technology Agreement constitute related transactions under the Shanghai Listing Rules but do not constitute connected transactions under the Hong Kong Listing Rules.

Due to actual business needs, the Company intends to increase the estimated transaction cap amounts in 2023 under the Sales Framework Agreement and the Licence and Technology Agreement.

As the total amount of related transactions (including the new estimated amount of the related transactions in 2023) between the Company and ZF Axle Company for 12 consecutive months exceeds 5% of the latest audited net assets of the Company, the relevant Resolutions on the Increase in Caps of the Related Transactions between the Company and ZF Axle Company in 2023 are subject to the consideration at the EGM under the Shanghai Listing Rules.

Entering into Related Transaction Agreements and Relationship with Related Parties

In July 2014, the Company and ZF China cooperated in the axle business and made joint investment to establish ZF Axle Company, in which the Company holds 49% equity interest and ZF China holds 51% equity interest. ZF Axle Company is not consolidated into the financial statement of the Company.

LETTER FROM THE BOARD

ZF China is a wholly foreign-owned limited liability company duly established and legally existing under the laws of the PRC, which is principally engaged in the business of investment, research and development of new products and high technology, and sale of products manufactured by enterprises invested in by it in accordance with the law in the fields where foreign investment is permitted by the state. With all reasonable enquiries made, ZF China and its ultimate shareholders are independent third parties independent of the Company and its connected persons (within the meaning of the Hong Kong Listing Rules). As the deputy general manager of the Company is the chairman of ZF Axle Company, ZF Axle Company is a related legal person of the Company under Rule 6.3.3 of the Shanghai Listing Rules. The transactions between the Company and ZF Axle Company constitute related transactions under the Shanghai Listing Rules but do not constitute connected transactions under the Hong Kong Listing Rules.

On 18 July 2014, the Company and ZF Axle Company entered into agreements in respect of daily operations, such as technology license, premise leasing, procurement and sales, etc., which were considered and approved at the 14th meeting of the sixth session of the Board of the Company. According to, among others, the Sales Framework Agreement and the License and Technology Agreement entered into by both parties, they shall remain in effect for the duration of ZF Axle Company as a joint venture.

Main Content of Relevant Agreements

(A) Sales Framework Agreement

1. Basic information

Party A: the Company

Party B: ZF Axle Company

Party C: ZF Hangzhou

ZF Axle Company shall sell products (including drive axle products) manufactured by it to the Company and ZF Hangzhou.

LETTER FROM THE BOARD

2. Selling price and settlement

- (1) The selling price of the drive axle products shall be determined by mutual agreement with reference to the prices in the previous years and the prevailing market price, and taking into account factors such as changes in raw material prices.
- (2) The price of products sold by ZF Axle Company to the Company or any branches and subsidiaries of the Company shall not be higher than the price of similar products sold by ZF Axle Company to ZF Hangzhou.
- (3) The Company shall make payment for the goods in full on the 15th day of the month following the date of the invoice.

3. Term of the agreement and others

- (1) Valid within the duration of ZF Axle Company as a joint venture.
- (2) Both parties shall enter into a separate sales agreement for each order of the products, the content of which shall be consistent with the main content of the framework agreement.

(B) License and Technology Agreement

1. Basic information

Licensors: the Company and ZF China

Licensee: ZF Axle Company

The content and scope of the technology license:

- (1) The Company and ZF China agree that ZF Axle Company shall use their respective relevant technologies to manufacture and assemble the existing products as well as the future products; and
- (2) The technology ownership of the products improved by ZF Axle Company using licensed technology shall belong to ZF Axle Company.

LETTER FROM THE BOARD

2. Pricing and settlement of technology license fee
 - (1) ZF Axle Company shall make a one-off payment for the technology license fee of RMB2.2 million to the Company and ZF China, respectively (Note: the one-off payment for the technology license fee to the Company was completed in 2015); and shall pay a technology license fee of 0.3% of the sales of products manufactured using the licensed technology to the Company and ZF China, respectively (“Technology License Fee based on Sales”).
 - (2) The one-off technology license fee shall be paid on the date of mass production of the existing products; the Technology License Fee based on Sales for the previous year shall be paid by 31 March in the current year.
3. Term of the agreement: Valid within the duration of ZF Axle Company as a joint venture.

Reasons for Related Transactions

1. ZF Axle Company is mainly engaged in the research and development, application engineering, production, assembly and sales of drive axle products for agricultural machinery vehicles. Drive axle is an important component of tractor products, and the Company’s demand for drive axle products for the production of tractors can be met through the Sales Framework Agreement.
2. The Company and ZF China agree that ZF Axle Company shall use their respective relevant technologies to manufacture and assemble the existing products and the future products, and ZF Axle Company shall make a one-off payment for technology license fee of RMB2.2 million to the Company and ZF China, respectively (Note: the one-off payment for the technology license fee to the Company was completed in 2015); and shall pay a technology license fee of 0.3% of the sales of products manufactured using the licensed technology to the Company and ZF China, respectively.

LETTER FROM THE BOARD

Cap Amounts of Related Transactions between the Company and ZF Axle Company in 2023

At the 13th meeting of the ninth session of the Board of the Company held on 29 September 2023, the Resolution(s) on the Increase the Cap Amounts of 2023 Ordinary Related Transactions of the Company was/were considered and approved.

Unit: 0'000 (RMB)

Name of agreements	Content of related transaction	Related party	Originally estimated cap amount	Actual transaction amount from January to August	Transaction amount to be increased	Adjusted cap amount
Sales Framework Agreement	Sales of components to the Company by the related parties	ZF Axle Company	20,000	15,945	4,500	24,500
Licence and Technology Agreement	The Company's permission for the related parties to use the relevant technologies		77	0 (Note)	18	95

Note: According to the Licence and Technology Agreement, the technology license fee is payable by 31 March of the following year for the previous year.

Reasons for the Increase in Caps of Related Transactions

Sales Framework Agreement

1. Thanks to the Company's early layout of new product research and development and sufficient market verification, the Company's National IV tractor product performed well in the market in the first half of 2023. Based on the actual production and operation needs of the Company, the demand for drive axle products from ZF Axle Company is expected to increase.

Licence and Technology Agreement

2. As a result of the increase in sales volume of products manufactured by ZF Axle Company using the relevant technologies, the technology license fees paid by ZF Axle Company to the Company also increased accordingly.

The Directors are of the view that the increase in the cap amounts of the related transactions is in line with the normal operational needs of the Company; the relevant related transactions are necessary for the normal production and operation of the Company and the transactions are in normal commercial interest and will not have adverse impact on the financial position and operating results of the Company and will not affect the independence of the Company.

LETTER FROM THE BOARD

Implications under Shanghai Listing Rules

As the accumulated total amount of related transactions (including the new estimated amount of related transactions in 2023) between the Company and ZF Axle Company for 12 consecutive months exceeds 5% of the latest audited net assets of the Company, the relevant Resolutions on the Increase in Caps of Related Transactions between the Company and ZF Axle Company in 2023 are subject to the consideration at the EGM pursuant to the requirements under the Shanghai Listing Rules.

The relevant Resolutions on the Increase in Caps of the Related Transactions between the Company and ZF Axle Company in 2023 are subject to the consideration and approval by the Shareholders at the EGM by way of ordinary resolutions. According to the information currently available to the Company, no shareholders are required to abstain from voting on any of the resolutions regarding the Related Transactions on the Increase in the Annual Caps for each of the Sales Framework Agreement and the Licence and Technology Agreement at the EGM.

III. ELECTION OF A DIRECTOR

Reference is made to the Company's announcement dated 23 October 2023 relating to, among others, appointment of a director.

The Company held the fourteenth meeting of the Ninth Session of the Board on 23 October 2023, in which the "Resolution in relation to the Appointment of the Company's General Manager and the Nomination of Director Candidate" was considered and passed. Upon the nomination by the chairman and the qualification and approval of the Nomination Committee of the Board, the Board agreed and appointed Mr. Wei Tao as the Company's General Manager, with a term of office commencing from the date of the consideration and approval by the Board and expiring upon the expiry of the Ninth Session of the Board. In addition, the Board has also nominated Mr. Wei Tao as a director candidate of the Ninth Session of the Board of Directors.

Biographies of Mr. Wei Tao are set out below:

Mr. Wei Tao ("Mr. Wei"), aged 43, senior engineer, currently serves as the General Manager of the Company and the Deputy Secretary of the Party Committee of YTO. Mr. Wei joined YTO in 2003, successively served as deputy director of the Third Assembly Plant, the deputy head of Quality Engineering Center, the deputy head of the Technology Development Department of the Company and the head of the Quality Department, the head of the Human Resources Department and the General Manager Assistant and Deputy General Manager of the Company. Mr. Wei graduated from Northeast Agricultural University with a Bachelor degree in engineering. He has extensive experience in production and manufacturing, technical quality management, cadre and human resource management, etc.

LETTER FROM THE BOARD

Term of Service and Remuneration

If Mr. Wei is appointed as a director of the Company, his terms will be commencing from the date of approval by the shareholders at the extraordinary general meeting to the expiry of the term of the Ninth Session of the Board of Directors. As the general manager and an executive director of the Company, Mr. Wei will receive remuneration from the Company in accordance with the relevant performance and Remuneration Management Policy for senior management of the Company. The pension insurance, unemployment insurance, medical insurance and other social insurance and housing provident funds of Mr. Wei will be implemented in accordance with relevant national requirements.

Relationships

Save as disclosed above, Mr. Wei does not have any relationship with any director, supervisor or senior management of the Company or any substantial or controlling shareholder of the Company.

Interest in Shares

Mr. Wei does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Matters to be Brought to the Attention of Shareholders

There is no information relating to the appointment of Mr. Wei as a director or any matter that needs to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules and there is no matter that needs to be brought to the attention of the shareholders.

IV. AMENDMENTS OF THE ARTICLES OF ASSOCIATION

Reference is made to the Company's announcement dated 14 November 2023 relating to, among others, amendments of the Articles of Association.

In order to promote the formation of a more scientific independent director system and promote independent directors to play their due role, and in combination with the latest revision or release of the "Listing Rules of the Shanghai Stock Exchange" (revised in 2023) and the "Administrative Measures for Independent Directors of Listed Companies" etc., the Board proposes to amend the Articles of Association.

Detailed information of the amendments of the Articles of Association is set out in Appendix I to this circular.

LETTER FROM THE BOARD

The amendments of the Articles of Association are subject to approval by the Shareholders by way of a special resolution at the EGM.

V. AMENDMENTS OF THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS

Reference is made to the Company's announcement dated 14 November 2023 relating to, among others, amendments of the Rules of Procedures for Board of Directors. The Board proposes to amend the Rules of Procedures for Board of Directors so as to align the amendments to the Articles of Association.

Detailed information of the amendments of the Rules of Procedures for Board of Directors is set out in Appendix II to this circular.

The amendments of the Rules of Procedures for Board of Directors are subject to the consideration and approval by the Shareholders by way of an ordinary resolution at the EGM.

VI. EGM

The full text of the resolutions proposed for approval at the forthcoming EGM is set out in the EGM notice on pages EGM-1 to EGM-3 of this circular, and is also published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.irasia.com/listco/hk/firsttractor).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting on the matters to be resolved at the EGM. Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all votes at the EGM shall be taken by poll. The Company will announce the results of the poll on the websites of the Company and Hong Kong Stock Exchange in accordance with the Hong Kong Listing Rules following the EGM.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon. The relevant forms of proxy shall be lodged with (for holders of H Shares) the Company's branch share registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, or (for holders of A Shares) at the registered address and principal place of business of the Company at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC as soon as possible and in any event not less than 24 hours before the time scheduled for holding of the EGM (or any adjourned meeting). Completion and delivery of the forms of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting if you so desire. If you attend and vote at the EGM in person, the authorization granted to your proxy will be deemed revoked.

LETTER FROM THE BOARD

VII. RECOMMENDATIONS

The Directors are of the view that the increase in the cap amounts of the related transactions is in line with the normal operational needs of the Company; the relevant related transactions are necessary for the normal production and operation of the Company and the transactions are in normal commercial interest and will not have adverse impact on the financial position and operating results of the Company and will not affect the independence of the Company. The Board recommend that Shareholders vote in favour of the Resolutions on the Increase in Caps of the Related Transactions between the Company and ZF Axle Company in 2023 to be proposed at the EGM (as set out in resolutions Nos.1.01 to 1.02 (inclusive) in the Notice of the EGM).

The Directors consider that the resolutions proposed at the EGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions set out in the notice of the EGM at the EGM.

VIII. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
By order of the Board
First Tractor Company Limited*
YU Lina
Company Secretary

* *For identification purposes only*

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
1	<p>Article 1</p> <p>First Tractor Company Limited (hereafter as “this Company” or “the Company”) is a joint stock limited company incorporated in accordance with the Company Law of the People’s Republic of China (hereafter as the “Company Law”), the Special Provisions of the State Council concerning the Flotation and Listing Abroad of Shares by Joint Stock Company with Limited Liability (國務院關於股份有限公司境外募集股份及上市的特別規定)(hereafter the “Special Provisions”) and other relevant laws and administrative regulations of the People’s Republic of China (hereafter as the “PRC”). In order to comply with the Company Law, Special Provisions and Guidelines on Articles of Association of Listed Companies (as amended in 2019) (《上市公司章程指引》(2019年修訂)), the Company...convened the extraordinary shareholders’ general meeting on 13 April, 2022 to amend its Articles of Association.</p>	<p>Article 1</p> <p>First Tractor Company Limited (hereafter as “this Company” or “the Company”) is a joint stock limited company incorporated in accordance with the Company Law of the People’s Republic of China (hereafter as the “Company Law”), the Special Provisions of the State Council concerning the Flotation and Listing Abroad of Shares by Joint Stock Company with Limited Liability (國務院關於股份有限公司境外募集股份及上市的特別規定)(hereafter the “Special Provisions”) <u>the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (hereinafter the “Administrative Measures”)</u>, and other relevant laws and administrative regulations of the People’s Republic of China (hereafter as the “PRC”). In order to comply with the Company Law, Special Provisions <u>the Administrative Measures</u> and Guidelines on Articles of Association of Listed Companies (as amended in 2019) (as amended in 2019) <u>(as amended in 2022)</u> (《上市公司章程指引》(2019年修訂)(2019年修訂) <u>(2022年修訂)</u>), the Company... convened the extraordinary shareholders’ general meeting on 13 April, 2022, <u>the extraordinary shareholders’ general meeting on [], 2023</u> to amend its Articles of Association.</p>	<p>After the promulgation of the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Special Provisions of the State Council concerning the Flotation and Listing Abroad of Shares by Joint Stock Company with Limited Liability (國務院關於股份有限公司境外募集股份及上市的特別規定) have been repealed.</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
2	<p>Article 8</p> <p>These Articles are prepared mainly pursuant to the Company Law, the “Mandatory Provisions for Articles of Association of the Companies to be Listed Overseas” (Zheng Wei Fa [1994] No. 21) (hereafter as the “Mandatory Provisions”) issued by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System on 27 August 1994, “Letter Regarding Opinion on Supplementary Amendments to Articles of Association of Companies to be Listed in Hong Kong” (Zheng Jian Hai Han [1995] No. 1) issued by Overseas Listing Division of China Securities Regulatory Commission and the State Commission for Restructuring the Economic System on 3 April 1995, the Official Reply on the Adjustment of the Provisions Applicable to the Notice Period of Convening General Meetings of Shareholders and Other Matters Applicable to the Companies Listed Abroad issued by the State Council on 22 October 2019 and Guidelines on Articles of Association of Listed Companies (as amended in 2019) issued by China Securities Regulatory Commission on 16 March 2006. The amendments to the Articles of Association in relation to the Mandatory Provisions shall be made in accordance with Article 259.</p>	<p>Article 8</p> <p>These Articles are prepared mainly pursuant to the Company Law, the “Mandatory Provisions for Articles of Association of the Companies to be Listed Overseas” (Zheng Wei Fa [1994] No. 21) (hereafter as the “Mandatory Provisions”) issued by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System on 27 August 1994, “Letter Regarding Opinion on Supplementary Amendments to Articles of Association of the Companies to be Listed in Hong Kong” (Zheng Jian Hai Han [1995] No. 1) issued by Overseas Listing Division of China Securities Regulatory Commission and the State Commission for Restructuring the Economic System on 3 April 1995, the Official Reply on the Adjustment of the Provisions Applicable to the Notice Period of Convening General Meetings of Shareholders and Other Matters Applicable to the Companies Listed Abroad issued by the State Council on 22<u>17</u> October 2019 and Guidelines on Articles of Association of Listed Companies (as amended in 2019) (as amended in 2019) <u>(as amended in 2022)</u> issued by China Securities Regulatory Commission on 16 March 2006 <u>5 January 2022, and the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies issued by the China Securities Regulatory Commission on 17 February 2023.</u> The amendments to the Articles of Association in relation to the Mandatory Provisions shall be made in accordance with Article 259.</p>	<p>The Mandatory Provisions for Articles of Association of the Companies to be Listed Overseas have been repealed.</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
3	<p>Article 29</p> <p>Where the Company issues overseas listed foreign-invested shares and domestic shares separately within the total number of shares specified in the issue plan, every such issue shall be fully subscribed for in one time. If the shares cannot be fully subscribed for all at a time due to special circumstances, the shares may, subject to the approval of the State Council Securities Commission, be issued on a separate occasions.</p>	<p>Article 29</p> <p>Where the Company issues overseas listed foreign-invested shares and domestic shares separately within the total number of shares specified in the issue plan, every such issue shall be fully subscribed for in one time. If the shares cannot be fully subscribed for all at a time due to special circumstances, the shares may, subject to the approval <u>of the securities regulatory authority</u> of the State Council Securities Commission, be issued on a separate occasions.</p>	
4	<p>Article 74</p> <p>The provision of external guarantee by the Company shall be considered and approved by the Board....</p> <p>The Company and its controlling subsidiaries shall not provide guarantees to its shareholders, persons with de facto control and their related parties.</p>	<p>Article 74</p> <p>The provision of external guarantee by the Company shall be considered and approved by the Board....</p> <p>The Company and its controlling subsidiaries shall not provide guarantees to its shareholders, persons with de facto control and their related parties.</p>	<p>Rule 6.3.11 of The Rules Governing the Listing of Stocks on the Shanghai Stock Exchange</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
5	<p>Article 112</p> <p>(8) Where the general meeting is convened and held by the supervisory committee or the shareholders in accordance with the previous paragraphs, the Board shall be duly informed in writing and the filing procedures shall be completed with the relevant competent authorities in accordance with the applicable requirements. The convening shareholders shall submit relevant evidences to the relevant regulatory authorities in accordance with applicable requirements when dispatching the notice of general meeting and announcing the resolutions of such meeting.</p>	<p>Article 112</p> <p>(8) Where the general meeting is convened and held by the supervisory committee or the shareholders in accordance with the previous paragraphs, the Board shall be duly informed in writing and the filing procedures shall be completed with the relevant competent authorities <u>the stock exchange</u> in accordance with the applicable requirements. The convening shareholders shall submit relevant evidences to the relevant regulatory authorities <u>the stock exchange</u> in accordance with applicable requirements when dispatching the notice of general meeting and announcing the resolutions of such meeting.</p>	

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
6	<p>Article 128</p> <p>No less than half of the members of the Board shall be...at least one of the Independent Directors must possess appropriate professional qualifications or accounting or related financial management expertise (Independent Directors shall mean the Directors who are independent of the shareholders of the Company and do not hold any internal positions in the Company and the same shall apply to the Articles below).</p>	<p>Article 128</p> <p>No less than half of the members of the Board shall be...at least one of the Independent Directors must possess appropriate professional qualifications or accounting or related financial management expertise (Independent Directors shall mean the Directors who are independent of the shareholders of the Company and do not hold any internal positions in the Company and the same shall apply to the Articles below). <u>must be professionals in accounting field.</u></p> <p><u>Accounting professionals should have extensive accounting expertise and experience with the qualification of certified public accountant, or titles of senior management or associate professor or above or have a doctorate degree in accounting, auditing or financial management, or senior titles in economic management, and professional positions in accounting, auditing or financial management with more than 5 years of full-time working experience.</u></p>	<p>Rules 2 and 5 of the Measures for the Administration of Independent Directors of Listed Companies</p> <p>Rule 3.5.7 of the Self-regulatory Guideline No. 1 for Companies Listed on the Shanghai Stock Exchange – Standardised Operation</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
7	<p>Article 130</p> <p>(2) The Independent Directors of the Company shall be elected in accordance with the following method:</p> <p>b. The nominator of the Independent Directors shall obtain consent from the proposed candidate before nomination. The nominator shall have adequate knowledge of the profession, education, professional title and detailed work experience of the nominee as well as status of all his part time jobs. The nominator shall also comment on the qualification and independence of the nominee as an Independent Director. The nominee shall make a public statement disclaiming any relationship between him and the Company that will affect his independent judgment;</p>	<p>Article 130</p> <p>(2) The Independent Directors of the Company shall be elected in accordance with the following method:</p> <p>b. The nominator of the Independent Directors shall obtain consent from the proposed candidate before nomination. The nominator shall have adequate knowledge of the profession, education, professional title and detailed work experience of the nominee as well as status of all his part time jobs. The nominator shall also comment on the qualification and independence of the nominee as an Independent Director. The nominee shall make a public statement disclaiming any relationship between him and the Company that will affect his independent judgment; <u>and any major dishonesty or other bad records. The nominator shall also comment on the independence and other qualifications of the nominee as an Independent Director. The nominee shall make a public statement on his compliance with the requirements of independence and other qualifications as an Independent Director;</u></p>	<p>Rules 10 and 11 of the Measures for the Administration of Independent Directors of Listed Companies</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
	<p>c. Before the general meeting for the election of the Independent Directors, the Company's Board of Directors shall announce the above information in accordance with the relevant provisions (including but not limited to the Listing Rules);</p> <p>d. Provided where Renminbi denominated ordinary shares are issued by the Company and are listed on the domestic stock exchange, before convening the general meeting for the election of the Independent Directors, the Company shall submit relevant materials of all the nominees to China Securities Regulatory Commission and its local office in the place where the Company is located as well as the stock exchange(s) on which the Company's shares are listed. Where the Board of Directors of the Company dissents from the relevant information with regard to the nominees, a written opinion from the Board shall also be submitted.</p>	<p><u>c. The Nomination Committee of the Company shall examine the qualifications of the nominee, and form a clear and definite opinion after examination;</u></p> <p>ed. Before the general meeting for the election of the Independent Directors, the Company's Board of Directors shall announce the above information in accordance with the relevant provisions (including but not limited to the Listing Rules);</p> <p>de. Provided where Renminbi denominated ordinary shares are issued by the Company and are listed on the domestic stock exchange, before Before convening the general meeting for the election of the Independent Directors, the Company shall submit relevant materials of all the nominees to China Securities Regulatory Commission and its local office in the place where the Company is located as well as the stock exchange(s) on which the Company's shares are listed. Where the Board of Directors of the Company dissents from the relevant information with regard to the nominees, a written opinion from the Board shall also be submitted. <u>The relevant information shall be true, accurate and complete;</u></p>	

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
		f. <u>The Company shall not submit such information to the general meeting for election when the stock exchange has expressed objection.</u>	
8	<p>Article 132</p> <p>Where the shareholding of the controlling shareholders in the Company exceeds 30%, cumulative voting shall be adopted at the general meetings of the Company for election of Directors (including independent Directors) and supervisors (non-employee representative supervisors).</p> <p>In the cumulative voting...</p>	<p>Article 132</p> <p>Where the shareholding of the controlling shareholders in the Company <u>and the shareholding interests of the parties acting in concert with them</u> exceeds 30%, cumulative voting shall be adopted at the general meetings of the Company for election of Directors (including independent Directors) and supervisors (non-employee representative supervisors).</p> <p><u>The cumulative voting system for election shall be adopted when two or more Independent Directors are to be elected at the general meeting of the Company. Marginal election can be adopted to elect Independent Directors.</u></p> <p>In the cumulative voting...<u>If directors will be elected by cumulative voting system at a general meeting, the voting of Independent Directors and non-Independent Directors shall be carried out separately.</u></p>	<p>Rule 2.1.14 of the Self-regulatory Guideline No. 1 for Companies Listed on the Shanghai Stock Exchange — Standardised Operation</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
9	<p>Article 134</p> <p>In the absence of special reasons, the Directors and Chairman shall not change their positions randomly and shall maintain rather stable. Any position changes shall go through the statutory procedures and formalities (including relevant requirements under the Listing Rules) and shall be disclosed to the public and filed with China Securities Regulatory Commission.</p>	<p>Article 134</p> <p>In the absence of special reasons, the Directors and Chairman shall not change their positions randomly and shall maintain rather stable. Any position changes shall go through the statutory procedures and formalities (including relevant requirements under the Listing Rules) and shall be disclosed to the public and filed with China Securities Regulatory Commission <u>the stock exchange</u>.</p>	
10	<p>Article 136</p> <p>The Board of the Company shall establish the audit committee and shall, as needed, establish relevant special committees such as the strategic committee, the nomination committee and the remuneration committee. Each special committee shall be accountable to the Board and perform the duties prescribed by the Articles of Association and the Board. Any proposals of the audit committee shall be submitted to the Board for consideration and approval. All member of the special committees shall be directors, among which, the majority of the members of the audit committee, the nomination committee and the remuneration committee shall be independent directors who also convene the meeting of such committees. The convener of the audit committee shall be an accounting professional....</p>	<p>Article 136</p> <p>The Board of the Company shall establish the audit committee and shall, as needed, establish relevant special committees such as the strategic committee, the nomination committee and the remuneration committee. <u>four special committees namely the audit committee, the nomination committee, the remuneration committee and the strategy, investment and sustainable development committee.</u> Each special committee shall be accountable to the Board and perform the duties prescribed by the Articles of Association and the Board. Any proposals of the audit committee shall be submitted to the Board for consideration and approval. All member of the special committees shall be directors, among which, the majority of the members of the audit committee, the nomination committee and the remuneration committee shall be independent directors who also convene the meeting of such committees. The <u>members</u> of the audit committee <u>shall be directors not serving as senior management of the Company.</u> The convener of the audit committee shall be an accounting professional....</p>	<p>Rule 2.5.5 of the Self-regulatory Guideline No. 1 for Companies Listed on the Shanghai Stock Exchange — Standardised Operation</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
11	<p>Article 149</p> <p>The Directors may resign before expiry of their terms. The Directors shall submit to the Board a written report in relation to their resignations, and the Independent Directors shall state any situation relating to their resignations or which they consider to be necessary to draw to the attention of the shareholders and creditors of the Company.</p> <p>...</p> <p>Should the resignation of the Independent Directors result in the proportion of the Independent Directors in the Board of Directors of the Company falling below the minimum requirement as required by the relevant regulatory authorities or the Listing Rules, the resignation report of the said Independent Director shall not become effective until the vacancy resulting from his resignation is filled up by the succeeding Independent Director.</p>	<p>Article 149</p> <p><u>(1)</u> The Directors may resign before expiry of their terms . The Directors shall submit to the Board a written report in relation to their resignations, and the Independent Directors shall state any situation relating to their resignations or which they consider to be necessary to draw to the attention of the shareholders and creditors of the Company. <u>The Company shall disclose the reasons of resignation of the Independent Directors and other matters concerned.</u></p> <p>...</p> <p>Should the resignation of the Independent Directors result in the proportion of the Independent Directors in the Board of Directors of the Company falling below the minimum requirement as required by the relevant regulatory authorities or the Listing Rules, the resignation report of the said Independent Director shall not become effective until the vacancy resulting from his resignation is filled up by the succeeding Independent Director. <u>The election to fill the vacancies of Independent Directors shall be completed by the Company within sixty days from the date of resignation of such Independent Directors.</u></p>	<p>Rules 14 and 15 of the Measures for the Administration of Independent Directors of Listed Companies</p>

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
	<p>Save for the circumstances referred to in the preceding paragraphs, the resignation of a Director shall become effective upon submission of his resignation report to the Board.</p>	<p>Save for the circumstances referred to in the preceding paragraphs, the resignation of a Director shall become effective upon submission of his resignation report to the Board.</p> <p><u>(2) Before the expiry of the term of the Independent Directors, the Company may remove their duties in accordance with legal procedures. If an Independent Director is being removed from his position in advance, the Company shall promptly disclose the specific reasons and basis. The Company shall disclose in a timely manner when Independent Directors have expressed objections.</u></p> <p><u>The Independent Directors who do not comply with the specific requirements of laws and regulations for the qualifications or independency to serve as a director of a listed company shall immediately cease to perform their duties and tender resignation. If a person fails to resign, the Board of Directors shall, upon becoming aware of or should become aware of the fact, immediately remove him/her from office as required.</u></p> <p><u>If an Independent Director resigns or is being dismissed due to the circumstances specified in the preceding paragraph, resulting in the proportion of the Independent Directors on the Board of Directors or its special committees not complying with the laws and regulations, or the requirements of the Company's Articles of Association, or the absence of accounting professionals among the Independent Directors, the Company shall complete the by-election within sixty days as of the date of the occurrence of the aforesaid facts.</u></p>	

**APPENDIX I COMPARATIVE TABLE OF THE AMENDMENTS
TO THE ARTICLES OF ASSOCIATION**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
12	<p>Article 259</p> <p>An amendment to the Company’s Articles of Association which is relevant to the “Mandatory Provisions” and subject to approvals of applicable authorities according to related laws and regulations shall become effective upon approvals. Where an amendment to the Company’s Articles of Association involves matters of Company registration, the Company shall apply for registration according to applicable laws.</p>	<p>Article 259</p> <p>An amendment to the Company’s Articles of Association which is relevant to the “Mandatory Provisions” and subject to approvals of applicable authorities according to related laws and regulations shall become effective upon approvals. Where an amendment to the Company’s Articles of Association involves matters of Company registration, the Company shall apply for registration according to applicable laws.</p>	
13	<p>Article 269</p> <p>In the Articles of Association, the terms and expressions listed below shall have the following meanings, except alternative meanings according to the context:</p> <p>“Independent Directors” the Directors who do not hold any position in the Company other than the Directors, and have no relationship with the listed companies and their respective major shareholders that may hinder such Directors’ ability to make independent and objective judgments, and comply with the requirements on independence as stipulated in the relevant rules of the stock exchange(s) on which the Company’s shares are listed</p>	<p>Article 269</p> <p>In the Articles of Association, the terms and expressions listed below shall have the following meanings, except alternative meanings according to the context:</p> <p>“Independent Directors” the Directors who do not hold any position in the Company other than the Directors, and have no relationship with <u>direct or indirect interests with</u> the listed companies and their respective major shareholders, <u>persons with de facto control or other relationship</u> that may hinder such Directors’ ability to make independent and objective judgments, and comply with the requirements on independence as stipulated in the relevant rules of the stock exchange(s) on which the Company’s shares are listed</p>	<p>Rule 2 of the Measures for the Administration of Independent Directors of Listed Companies</p>

APPENDIX II

**COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
1	<p>Article 2</p> <p>No less than half of the members of the Board shall be...at least one of the Independent Directors must possess appropriate professional qualifications or accounting or related financial management expertise (Independent Directors shall mean the Directors who are independent of the shareholders of the Company and do not hold any internal positions in the Company and the same shall apply to the Articles below).</p>	<p>Article 2</p> <p>No less than half of the members of the Board shall be...at least one of the Independent Directors must possess appropriate professional qualifications or accounting or related financial management expertise (Independent Directors shall mean the Directors who are independent of the shareholders of the Company and do not hold any internal positions in the Company and the same shall apply to the Articles below). <u>be professionals in accounting field (Independent Directors shall mean the Directors who do not hold any internal positions in the Company other than directors, and have no direct or indirect interests with the listed companies and their respective major shareholders, persons with de facto control or other relationship that may hinder such Directors' ability to make independent and objective judgments, and comply with the requirements on independence as stipulated in the relevant rules of the stock exchange(s) on which the Company's shares are listed). Accounting professionals should have extensive accounting expertise and experience with the qualification of certified public accountant, or titles of senior management or associate professor or above or have a doctorate degree in accounting, auditing or financial management, or senior titles in economic management, and professional positions such as accounting, auditing or financial management with more than 5 years of full-time working experience.</u></p>	<p>Rules 2 and 5 of the Measures for the Administration of Independent Directors of Listed Companies</p>

APPENDIX II

**COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
2	<p>Article 6</p> <p>The Directors may be elected at general meeting by way of cumulative voting. Upon election of more than 2 Directors, the number of votes held by each shareholder shall be equal to the multiple of the number of his shares held and the number of Directors he is entitled to elect. Each shareholder shall be entitled to cast all his votes for a single candidate for Director, arbitrarily distribute votes to all candidates for Director who he has the right to elect, or distribute his votes at his discretion or cast all his votes for two or more candidates for Director. The candidate(s) with the most votes shall be elected as Director(s).</p>	<p>Article 6</p> <p>The Directors may be elected at general meeting by way of cumulative voting. Upon election of more than 2 Directors, the number of votes held by each shareholder shall be equal to the multiple of the number of his shares held and the number of Directors he is entitled to elect. Each shareholder shall be entitled to cast all his votes for a single candidate for Director, arbitrarily distribute votes to all candidates for Director who he has the right to elect, or distribute his votes at his discretion or cast all his votes for two or more candidates for Director. The candidate(s) with the most votes shall be elected as Director(s).</p> <p><u>If directors will be elected by cumulative voting system at a general meeting, the voting of Independent Directors and non-Independent Directors shall be carried out separately.</u></p>	<p>Rule 12 of the Measures for the Administration of Independent Directors of Listed Companies</p>

APPENDIX II

**COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
3	<p>Article 8</p> <p>Directors may resign prior to the expiry of their term of office. Directors shall submit to the Board a written report in relation to their resignation, whereas Independent Directors shall also state any circumstance relating to their resignations or which they consider to be necessary to draw to the attention of the shareholders and creditors of the Company.</p> <p>...</p> <p>Should the resignation of Independent Director result in the proportion of Independent Directors in the Board of Directors of the Company falling below the minimum requirement as required by the relevant regulatory authorities or the Listing Rules, the resignation report of the said Independent Director shall not become effective until the vacancy resulting from his resignation is filled up by succeeding Independent Director.</p>	<p>Article 8</p> <p>Directors may resign prior to the expiry of their term of office. Directors shall submit to the Board a written report in relation to their resignation, whereas Independent Directors shall also state any circumstance relating to their resignations or which they consider to be necessary to draw to the attention of the shareholders and creditors of the Company. <u>The Company shall disclose the reasons of resignation of the Independent Directors and other matters concerned.</u></p> <p>...</p> <p>Should the resignation of Independent Director result in the proportion of Independent Directors in the Board of Directors of the Company falling below the minimum requirement as required by the relevant regulatory authorities or the Listing Rules, the resignation report of the said Independent Director shall not become effective until the vacancy resulting from his resignation is filled up by succeeding Independent Director. <u>The election to fill the vacancies of Independent Directors shall be completed by the Company within sixty days from the date of resignation of such Independent Directors.</u></p>	<p>Rule 15 of the Measures for the Administration of Independent Directors of Listed Companies</p>

APPENDIX II**COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
4	Article 10 In the absence of special reasons, Directors and Chairman shall not change randomly during their terms as required under the Articles of Association and shall maintain relatively stable. Any change shall be in compliant with the statutory procedures and formalities (including relevant requirements under the Listing Rules) and shall be disclosed to the public and filed with the CSRC.	Article 10 In the absence of special reasons, Directors and Chairman shall not change randomly during their terms as required under the Articles of Association and shall maintain relatively stable. Any change shall be in compliant with the statutory procedures and formalities (including relevant requirements under the Listing Rules) and shall be disclosed to the public and filed with the <u>CSRC stock exchange</u> .	

APPENDIX II

COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS

No.	Before amendments	After amendments	Reasons or rationale for the amendments
5	<p>Article 25</p> <p>All executive directors and external directors must be informed of any significant matter to be decided by the Board within the time stipulated in Article 16 and Article 17 of these Rules and be provided with sufficient information at the same time in strict compliance with the stipulated procedures. Directors may request for the provision of supplementary information.</p>	<p>Article 25</p> <p>All executive directors and external directors must be informed of any significant matter to be decided by the Board within the time stipulated in Article 17 and Article 18 of these Rules and be provided with sufficient information at the same time in strict compliance with the stipulated procedures. Directors may request for the provision of supplementary information. <u>with sufficient information of the meeting, including background materials related to the agenda of the meeting, status of matters to be considered and approved at all meetings attended by independent directors (if any), opinions from the special committees of the Board (if any) and all other information, data and materials required for Directors to vote on the resolutions proposed, and promptly respond to inquiries and requests from Directors, and supplement relevant information as required by Directors before convening the meeting. When a special committee of the Board of Directors convenes a meeting, the Company shall in principle provide relevant materials and information no later than 3 days before convening the meeting of such special committee.</u></p>	<p>Rule 2.2.2 of the Self-regulatory Guideline No. 1 for Companies Listed on the Shanghai Stock Exchange — Standardised Operation</p>

APPENDIX II

**COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
	<p>Where more than one-fourth of the directors or more than two external directors are of the opinion that the information is inadequate or the argument is uncertain, they may jointly request for an adjournment in convening the Board meeting or that part of the agenda of the Board meeting and the Board shall accept such request.</p>	<p>Where more than one-fourth of the directors or more than two external independent directors are of the opinion that the information is inadequate or the argument is uncertain, they may jointly request for an adjournment in convening the Board meeting or <u>the materials of the meeting are incomplete, or the argument is inadequate or untimely provided, they may request in writing to the Board of Directors for an adjournment in convening the meeting or considering and approving the agenda</u> that part of the agenda of the Board meeting and the Board shall accept such request.</p>	

APPENDIX II

**COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
6	<p>Article 33</p> <p>The Directors' voting intents are classified as for, against or abstaining. The Directors present at the meeting shall select one from the intents above and the chairman of the meeting shall ask those who fail to select any or simultaneously select more than two intents to reselect and those who refuse to select shall be deemed as abstaining; those who leave the meeting halfway without returning and without selecting any intents shall be deemed as abstaining.</p>	<p>Article 33</p> <p>The Directors' voting intents are classified as for, against or abstaining. The Directors present at the meeting shall select one from the intents above and the chairman of the meeting shall ask those who fail to select any or simultaneously select more than two intents to reselect and those who refuse to select shall be deemed as abstaining; those who leave the meeting halfway without returning and without selecting any intents shall be deemed as abstaining.</p> <p><u>Independent Directors who vote against or abstain from voting on resolutions of the Board shall explain the specific reasons and basis, and the compliance requirements of the laws and regulations of the matters to be considered by the Board, potential risks and the impact on the rights and interests of the Company and the minority shareholders, etc. The dissenting opinions of the Independent Directors shall also be disclosed at the same time, and shall be stated in the resolutions of the Board and the minutes of the meeting when the Company discloses the resolutions of the Board.</u></p>	<p>Rule 21 of the Measures for the Administration of Independent Directors of Listed Companies</p>

APPENDIX II

COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS

No.	Before amendments	After amendments	Reasons or rationale for the amendments
7	<p>Article 39</p> <p>The Directors shall be liable for the resolutions of the Board. If a resolution of the Board violates the laws, administrative regulations or the Articles of Association and results in the Company sustaining serious loss, the Directors voting for the resolution shall assume direct liabilities. But if it is proved that a Director voting against the resolution has stated his objection at the time the vote was taken and a record thereof has been made in the minutes of the meeting, that Director shall be relieved from liability. A Director who abstains from voting at the meeting, or a Director who neither attends the meeting nor entrusts others to attend the meeting on his behalf shall not be exempted from liabilities; a Director who explicitly expresses his objection in the course of discussion but fails to cast an objection vote shall not be exempted from liability.</p>	<p>Article 39</p> <p>The Directors shall be liable for the resolutions of the Board. If a resolution of the Board violates the laws, administrative regulations or the Articles of Association and results in the Company sustaining serious loss, the Directors voting for the resolution shall assume direct liabilities. But if it is proved that a Director voting against the resolution has stated his objection at the time the vote was taken and a record thereof has been made in the minutes of the meeting, that Director shall be relieved from liability. A Director who abstains from voting at the meeting, or a Director who neither attends the meeting nor entrusts others to attend the meeting on his behalf shall not be exempted from liabilities; a Director who explicitly expresses his objection in the course of discussion but fails to cast an objection vote shall not be exempted from liability.</p> <p><u>An Independent Director shall pay continuous attention to the implementation of the resolutions of the Board, and if he/she finds any violation of laws, administrative regulations, rules of the CSRC, business rules of the stock exchange, or requirements of the Articles of Association of the Company, or violation of the resolution adopted at the general meeting or the meeting of the Board, he/she shall report such violation to the Board in a timely manner and may request the Company to make a written explanation thereon. The Company shall promptly disclose any matters involved.</u></p>	<p>Rule 22 of the Measures for the Administration of Independent Directors of Listed Companies</p>

APPENDIX II

**COMPARATIVE TABLE OF THE AMENDMENTS TO
THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS**

No.	Before amendments	After amendments	Reasons or rationale for the amendments
8	Chapter 11 System of Independent Directors	Delete the original Articles 42 to 53 under Chapter 11 System of Independent Directors	The “Working Rules of Independent Directors of the Company” has been formulated separately and the relevant content will not be repeated herein.
9	Article 64 These Rules shall be submitted to the general meeting for consideration and approval and shall be effective upon obtaining the approval from the CSRC in respect of listing of the A shares of the Company and the completion of the issue of A shares. Any amendment to these Rules shall be resolved at general meeting. Amendment proposal shall be made by the Board within the authority granted by the general meeting and shall come into effect upon approval at general meeting.	Article 64 Article 52 These Rules shall be submitted to the general meeting for consideration and approval and shall be effective upon obtaining the approval from the CSRC in respect of listing of the A shares of the Company and the completion of the issue of A shares. Any amendment to these Rules shall be resolved at general meeting. Amendment proposal under these Rules shall be made by the Board within the authority granted by the general meeting of the Company and shall come into effect upon approval at general meeting.	

EGM NOTICE



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)

NOTICE OF 2023 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2023 second extraordinary general meeting (the “**EGM**”) of First Tractor Company Limited (the “**Company**”) will be held at 2:15 p.m. on 8 December 2023, Friday, at No. 154 Jianshe Road, Luoyang, Henan Province, the People’s Republic of China (the “**PRC**”) for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

- 1.00 To consider and approve the resolution to increase the cap amount of ordinary related transactions between the Company and ZF YTO (Luoyang) Axle Co., Ltd. (Note 1)
- 1.01 To increase the cap amounts of 2023 related transactions of the Sales Framework Agreement
- 1.02 To increase the cap amounts of 2023 related transactions of the Licence and Technology Agreement
- 2 Resolution on the election of director of the Company (Note 1)
- 3 To consider and approve the resolution on amendments to the Company’s Working Rules for Independent Directors (Note 2)
- 4 To consider and approve the resolution on amendments to the Company’s Related Transaction Management System (Note 2)

SPECIAL RESOLUTION

- 5 To consider and approve the resolution on the amendments of the Articles of Association of the Company (Note 1)

EGM NOTICE

ORDINARY RESOLUTION

- 6 To consider and approve the resolution on the amendments of the Rules of Procedures for Board of Directors of the Company (Note 1)

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

Luoyang, the PRC
20 November 2023

As at the date of this notice, the Board comprises Mr. Liu Jiguo (Chairman) as executive Director; Mr. Zhang Zhiyu, Mr. Fang Xianfa and Mr. Zhang Bin as non-executive Directors; and Mr. Edmund Sit, Mr. Wang Shumao and Mr. Xu Liyou as independent non-executive Directors.

* *For identification purposes only*

Notes:

1. Please refer to the Company's circular dated 20 November 2023 for details.
2. Please refer to the Company's announcement dated 20 November 2023 for details.
3. Date of closure of register of members for H shares attending the EGM

The register of members of the Company will be temporarily closed from 5 December 2023 to 8 December 2023 (both days inclusive) during which no transfer of shares of the Company will be registered in order to determine the list of shareholders of the Company for attending the EGM. The last lodgment for the transfer of the H Shares of the Company should be made on 4 December 2023 at Hong Kong Registrars Limited by or before 4:00 p.m. The Shareholders or their proxies being registered before the close of business on 8 December 2023 are entitled to attend the EGM by presenting their identity documents. The address of Hong Kong Registrars Limited, the H Shares registrar of the Company, is Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

4. Each Shareholder having the rights to attend and vote at the EGM is entitled to appoint one or more proxies (whether a Shareholder or not) to attend and vote on his/her behalf. Should more than one proxy be appointed by one Shareholder, such proxy shall only exercise his voting rights on a poll.
5. 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 authorized by such person in writing. If the Proxy Form is signed by an attorney, the power of attorney or other documents of authorization shall be notarially certified. To be valid, the Proxy Form and the notarially certified power of attorney or other documents of authorization must be delivered to the Company's registered address at No. 154 Jianshe Road, Luoyang, Henan

EGM NOTICE

Province, the PRC, or the Company's H Shares registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time scheduled for the holding of the EGM or any adjournment thereof.

6. Shareholders or their proxies shall present proofs of their identities upon attending the EGM.
7. The EGM is expected to last for less than one day. The Shareholders and proxies attending the EGM shall be responsible for their own travelling and accommodation expenses.
8. The Company's registered address:
No. 154 Jianshe Road, Luoyang, Henan Province, the PRC
Postal code: 471000
Telephone: (86-379) 6496 7038
Facsimile: (86-379) 6496 7438
Email: msc0038@ytogroup.com

* *For identification purposes only*