



# FIRST TRACTOR COMPANY LIMITED

## 第一拖拉機股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0038)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 2005 annual general meeting ("the AGM") of First Tractor Company Limited (the "Company") will be held at No.154, Jiashu Road, Luoyang, Henan Province, the People's Republic of China (the "PRC") on Friday, 16 June 2006 at 9:00 a.m. for the purpose of passing the following resolutions:

(1) **AS ORDINARY RESOLUTIONS:**

- To consider and approve the report of the board (the "Board") of directors (the "Directors") of the Company for the year 2005;
- To consider and approve the report of the supervisory committee of the Company for the year 2005;
- To consider and approve the audited financial report for the year 2005;
- To consider and approve the dividend distribution proposal (if any) for the year ended 31 December 2005;
- To consider and approve the re-appointment of Ernst & Young as auditors of the Company for the year ending 31 December 2006 and to authorise the Board to determine the terms for such appointment;
- To consider and approve the remuneration proposals for the Directors and supervisors of the Company;
- To elect and confirm Directors of representative for shareholders in the fourth Board of Directors of the Company, with a term of three years commencing from 1 July 2006.
- To consider and approve the re-appointment of Mr. Lu Zhongmin and Mr. Chan Sau Shan, Gary as independent non-executive Directors taking into account the fact that both Mr. Lu Zhongmin and Mr. Chan Sau Shan, Gary have served as independent non-executive Directors of the Company for more than 9 years and that the Company has not yet found any other candidates suitable for taking the position as independent non-executive Directors; in view of the fact that both Lu Zhongmin and Mr. Chan Sau Shan, Gary continue to be independent after considering the factors including but not limited to those as set out in rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, in particular, Lu Zhongmin and Mr. Chan Sau Shan, Gary do not hold any equity interests in the Company, nor have any interest in the business of the Company, nor hold any other positions in the Company, the Company considers that Lu Zhongmin and Mr. Chan Sau Shan, Gary continue to be independent and should be re-appoint as independent non-executive Directors.
- To elect and confirm supervisors of representative for shareholders in the fourth Supervisory Committee of the Company, with a term of three years commencing from 1 July 2006.
- Other matters.

(2) **AS SPECIAL RESOLUTIONS:**

- Subject to the accumulated limit not exceeding 50% of the net assets of the Company, to authorise the Board to determine any investment plan or proposal in respect of other limited companies, joint stock limited companies or other economic entities or projects, including but not limited to decisions on projects of investment, the companies or other economic entities to be invested, the amount, the investment method (including by way of issuance of domestic shares or overseas listed foreign shares) and the time of investment and the execution of the relevant agreements and other documents; and
- To approve the Company of placing, issuing or dealing with domestic shares and H shares of the Company solely or jointly within the relevant period (as defined hereunder) with an amount of no more than 20% of the issued shares of that class of shares of the Company as at the date of passing of this resolution, provided that the China Securities Regulatory Commission and the relevant governmental authorities granting the relevant approvals; and to authorise the Board to handle the matters in relation to such placement or issue and to make any necessary amendments as it considers appropriate in the articles of association of the Company, so as to reflect the changes in the structure of capital of the Company resulting from such placement or issue.

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

- the last day of the 12 months from the date of passing this resolution; and
  - the date on which the authorisation under this resolution is revoked or amended by a special resolution passed at a general meeting of the Company.
- To authorise the Board to declare an interim dividend to the shareholders of the Company for the half year ended 30 June 2006.

**Biographies of candidates of Directors and Supervisors:**

The candidates of Directors for the fourth Board of Directors"

Executive Director: Liu Dagong, Mr. Liu Wenying, Mr. Zhao Yanshui, Mr. Yan Linjiao, Mr. Li Tengjiao, Mr. Shao Haichen, Mr. Zhang Jing, Mr. Li Youji, Mr. Liu Shuangcheng and Mr. Zhao Fei; Independent non-executive Directors: Mr. Lu Zhongmin, Mr. Chan Sau Shan, Gary, Mr. Chen Zhi and Mr. Luo Xiwen (newly nominated candidate). Mr. Liu Shuangcheng and Mr. Zhao Fei were Directors representing the staff and workers.

1. **Mr. Liu Dagong, aged 51, executive Director**

*Experience*

For details and experience of Mr. Liu, please refer to the profile of Mr. Liu as set out in page 18 of the 2005 annual report. Save as disclosed in the profile of Mr. Liu in page 18 of the 2005 annual report, Mr. Liu does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Liu will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Liu will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Liu will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Liu has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, Mr. Liu does not have any interest in the shares (the "Share") of the Company (within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong, (the "SFO"))).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Liu as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

2. **Mr. Liu Wenying, aged 56, executive Director**

*Experience*

For details and experience of Mr. Liu, please refer to the profile of Mr. Liu as set out in page 18 of the 2005 annual report. Save as disclosed in the profile of Mr. Liu in page 18 of the 2005 annual report, Mr. Liu does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Liu will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Liu will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Liu will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Liu has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, Mr. Liu does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Liu as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

3. **Mr. Zhao Yanshui, aged 42, executive Director**

*Experience*

For details and experience of Mr. Zhao, please refer to the profile of Mr. Zhao as set out in page 18 of the 2005 annual report. Save as disclosed in the profile of Mr. Zhao in page 18 of the 2005 annual report, Mr. Zhao does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Zhao will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Zhao will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Zhao will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Zhao has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, Mr. Zhao does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Zhao as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

4. **Mr. Yan Linjiao, aged 50, executive Director**

*Experience*

For details and experience of Mr. Yan, please refer to the profile of Mr. Yan as set out in page 18 of the 2005 annual report. Save as disclosed in the profile of Mr. Yan in page 18 of the 2005 annual report, Mr. Yan does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Yan will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Yan will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Yan will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Yan has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, save for his interests in RMB290,000 registered capital of Yituo (Luoyang) Lutong Construction Machinery Company Limited, representing 0.5% of the registered capital of Yituo (Luoyang) Lutong Construction Machinery Company Limited, Mr. Yan does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Yan as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

5. **Mr. Li Tengjiao, aged 49, executive Director**

*Experience*

For details and experience of Mr. Li, please refer to the profile of Mr. Li as set out in page 19 of the 2005 annual report. Save as disclosed in the profile of Mr. Li in page 19 of the 2005 annual report, Mr. Li does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Li will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Li will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Li will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Li has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, Mr. Li does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Li as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

6. **Mr. Shao Haichen, aged 50, executive Director**

*Experience*

For details and experience of Mr. Shao, please refer to the profile of Mr. Shao as set out in page 19 of the 2005 annual report. Save as disclosed in the profile of Mr. Shao in page 19 of the 2005 annual report, Mr. Shao does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Shao will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Shao will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Shao will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Shao has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, Mr. Shao does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Shao as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

7. **Mr. Zhang Jing, aged 50, executive Director**

*Experience*

For details and experience of Mr. Zhang, please refer to the profile of Mr. Zhang as set out in page 19 of the 2005 annual report. Save as disclosed in the profile of Mr. Zhang in page 19 of the 2005 annual report, Mr. Zhang does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Zhang will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Zhang will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Zhang will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Zhang has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, Mr. Zhang does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Zhang as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

8. **Mr. Li Youji, aged 42, executive Director**

*Experience*

For details and experience of Mr. Li, please refer to the profile of Mr. Li as set out in page 19 of the 2005 annual report. Save as disclosed in the profile of Mr. Li in page 19 of the 2005 annual report, Mr. Li does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Li will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Li will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Li will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

*Relationships*

Mr. Li has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

*Interests in Shares*

So far as the Directors are aware as at the date of this annual report, Mr. Li does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Li as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

9. **Mr. Liu Shuangcheng, aged 49, executive Director**

*Experience*

For details and experience of Mr. Liu, please refer to the profile of Mr. Liu as set out in page 19 of the 2005 annual report. Save as disclosed in the profile of Mr. Liu in page 19 of the 2005 annual report, Mr. Liu does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

*Length of service and emolument*

Mr. Liu will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Liu will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Liu will also be entitled to an annual discretionary bonus with reference of the performance of the Company.



# FIRST TRACTOR COMPANY LIMITED

## 第一拖拉機股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 0038)

### NOTICE OF ANNUAL GENERAL MEETING

#### Relationships

Mr. Liu has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

#### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Liu does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

#### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Liu as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 10. Mr. Zhao Fei, aged 42, executive Director

##### Experience

For details and experience of Mr. Zhao, please refer to the profile of Mr. Zhao as set out in page 20 of the 2005 annual report. Save as disclosed in the profile of Mr. Zhao in page 20 of the 2005 annual report, Mr. Zhao does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

Mr. Zhao will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Zhao will receive a Director's fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Zhao will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

##### Relationships

Mr. Zhao has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Zhao does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Zhao as an executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 11. Mr. Lu Zhongmin, aged 73, independent non-executive Director

##### Experience

For details and experience of Mr. Lu, please refer to the profile of Mr. Lu as set out in page 20 of the 2005 annual report. Save as disclosed in the profile of Mr. Lu in page 20 of the 2005 annual report, Mr. Lu does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

No service contract will be entered into between Mr. Lu and the Company. The term is for a term of three years. Mr. Lu will not receive any emolument from the Company.

##### Relationships

Mr. Lu has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Lu does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Lu as an independent non-executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 12. Mr. Chan Sau Shan, aged 52, independent non-executive Director

##### Experience

For details and experience of Mr. Chan, please refer to the profile of Mr. Chan as set out in page 20 of the 2005 annual report. Save as disclosed in the profile of Mr. Chan in page 20 of the 2005 annual report, Mr. Chan does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

No service contract will be entered into between Mr. Chan and the Company. The term is for a term of three years. Mr. Chan will not receive any emolument from the Company.

##### Relationships

Mr. Chan has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Chan does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Chan as an independent non-executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 13. Mr. Chen Zhi, aged 50, independent non-executive Director

##### Experience

For details and experience of Mr. Chen, please refer to the profile of Mr. Chen as set out in page 20 of the 2005 annual report. Save as disclosed in the profile of Mr. Chen in page 20 of the 2005 annual report, Mr. Chen does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

No service contract will be entered into between Mr. Chen and the Company. The term is for a term of three years. Mr. Chen will not receive any emolument from the Company.

##### Relationships

Mr. Chen has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Chen does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Chen as an independent non-executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 14. Mr. Luo Xiwen, aged 61, independent non-executive Director

##### Experience

Mr. Luo, aged 61, joined South China Agricultural College in 1979 and had served the positions of Associate Professor of Faculty of Agricultural Engineering of South China Agricultural University, Dean of Faculty of Agricultural Engineering of South China Agricultural University and professor. He is currently Vice-chancellor and mentor of doctorate students and is the convener of Agricultural Engineering Division of Bachelor Committee under the State Council. From 1987 to 1989, he visited the University of Virginia, USA and University of Kentucky, USA to study a 2-year course as a visiting scholar. Mr. Luo is also the Deputy member of general committee of China Agricultural Engineering Association, the Deputy member of general committee of China Machinery Industry Association, the Deputy member of general committee of China Agricultural Engineering Association, Deputy committee chief of Agricultural Mechanisation Sub-division of China Agricultural Mechanisation Association, Deputy Chief Editor of Editing Committee of Agricultural Engineering Newspaper. He graduated from South China Agricultural College in 1982 and obtained a master degree and holds the title of professor.

Save as disclosed above, Mr. Luo does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

No service contract will be entered into between Mr. Luo and the Company. The term is for a term of three years. Mr. Luo will not receive any emolument from the Company.

##### Relationships

Mr. Luo has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Luo does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the appointment of Mr. Luo as an independent non-executive Director of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

The candidate of Supervisors for the fourth Supervisory Committee is as follows:

Supervisor: Mr. Liu A Nan, Kong Lingfu (newly nominated candidate), Mr. Xu Weilin, Mr. Zhao Shengyao (newly nominated candidate), Mr. Shao Jiang Xin. Ms. Kong Lingfu and Mr. Shao Jiang Xin are Supervisors representing the staff and workers.

#### 1. Mr. Liu A Man, aged 59, Supervisor

##### Experience

For details and experience of Mr. Liu, please refer to the profile of Mr. Liu as set out in page 21 of the 2005 annual report. Save as disclosed in the profile of Mr. Liu in page 21 of the 2005 annual report, Mr. Liu does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

Mr. Liu will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Liu will receive a fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Liu will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

##### Relationships

Mr. Liu has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Liu does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Liu as a supervisor of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 2. Mr. Kong Lingfu, aged 55, Supervisor

##### Experience

Mr. Kong joined the China First Tractor Group in 1966 and had served as the positions of section chief of general office of China First Tractor Group, factory manager of Tongyong Cast Factory, officer chief of Party Office. He is currently the vice chairman of China First Tractor Group. Mr. Kong graduated from Central Party College majoring in Economics and Management and holds the title of senior political engineer. Mr. Kong has extensive experience in production, operation and management, as well as administration and supervision.

Save as disclosed above, Mr. Kong does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

Mr. Kong will enter into a service agreement with the Company after the date of re-election for a term of three years. Mr. Kong will receive a fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Kong will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

##### Relationships

Mr. Kong has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Kong does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the appointment of Mr. Kong as a supervisor of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 3. Mr. Xu Weilin, aged 43, Supervisor

##### Experience

For details and experience of Mr. Xu, please refer to the profile of Mr. Xu as set out in page 21 of the 2005 annual report. Save as disclosed in the profile of Mr. Xu in page 21 of the 2005 annual report, Mr. Xu does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

Mr. Xu will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Xu will receive a fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Xu will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

##### Relationships

Mr. Xu has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Xu does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Xu as a supervisor of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 4. Mr. Zhao Shengyao, aged 51, Supervisor

Mr. Zhao joined China First Tractor Group in 1975. He has been the deputy general manager of Yitou (Luoyang) Construction Machinery Co., Ltd., deputy general manager and Party Secretary of Yitou (Luoyang) Fuel Jet Co., Ltd. He is currently the deputy secretary of Disciplinary Committee of China First Tractor Group. Mr. Zhao has extensive experience in production, operation and management, as well as administration and supervision. He joined the Company since 1997.

Save as disclosed above, Mr. Zhao does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

Mr. Zhao will enter into a service agreement with the Company after the date of re-election for a term of three years. Mr. Zhao will receive a fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Zhao will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

##### Relationships

Mr. Zhao has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Zhao does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Zhao as a supervisor of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

#### 5. Mr. Shao Jiangxin, aged 52, Supervisor

##### Experience

For details and experience of Mr. Shao, please refer to the profile of Mr. Shao as set out in page 21 of the 2005 annual report. Save as disclosed in the profile of Mr. Shao in page 21 of the 2005 annual report, Mr. Shao does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

##### Length of service and emolument

Mr. Shao will enter into a service agreement with the Company after the date of re-election, but before 30 June 2006 (being the last day of the service contract previously entered into) for a term of three years. Mr. Shao will receive a fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Shao will also be entitled to an annual discretionary bonus with reference of the performance of the Company.

##### Relationships

Mr. Shao has no relationship with any Director, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

##### Interests in Shares

So far as the Directors are aware as at the date of this annual report, Mr. Shao does not have any interest in the Shares (within the meaning of Part XV of the SFO)).

##### Matters that need to be brought to the attention of the Shareholders

In relation to the re-election of Mr. Shao as a supervisor of the Company, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholder of the Company.

##### Notes:

- The register of members of the Company will be temporarily closed from 17 May 2006 to 16 June 2006 (both days inclusive) during which no transfer of shares of the Company (the "Shares") will be registered in order to determine the list of shareholders of the Company (the "Shareholders") for attending the AGM. The last lodgment for share transfer should be made on 16 May 2006 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 16 May 2006 are entitled to attend the AGM by presenting their identity documents. The address of H Share registrar of the Company, Hong Kong Registrars Limited is 46/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- Each Shareholder having the rights to attend and vote at the AGM is entitled to appoint one or more proxies (whether a Shareholder or not) to attend and vote on his behalf. Should more than one proxy be appointed by one Shareholder, such proxy shall only exercise his voting rights on a poll.
- Shareholders can appoint a proxy by an instrument in writing (i.e. by using the Proxy Form enclosed). The Proxy Form shall be signed by the person appointing the proxy or an attorney authorised by such person in writing. If the Proxy Form is signed (i.e. by an attorney, the power of attorney or other documents of authorisation shall be notarially certified. To be valid, the Proxy Form and the notarially certified power of attorney or other documents of authorisation must be delivered to the registered address of the Company in not less than 24 hours before the time scheduled for the holding of the AGM or any adjournment thereof.
- Shareholders or proxies who intend to attend the AGM are requested to deliver the duly completed and signed reply slip for attendance to the Company in person, by post or by facsimile on or before 4:00 p.m. Friday, 26 May 2006.
- Shareholders or their proxies shall present proofs of their identities upon attending the AGM. Should a proxy be appointed, the proxy shall also present the Proxy Form.
- The AGM is expected to last for less than one day. The Shareholders and proxies attending the AGM shall be responsible for their own travelling and accommodation expenses.
- The Company's registered address:  
No. 154, Jiasheng Road, Luoyang, Henan Province, the PRC  
Postal code : 471004  
Telephone : 86-379-64967038  
Facsimile : 86-379-64967438  
Email : msc0038@first-tractor.com.cn

As at the date of hereof, the Board comprises ten executive Directors, namely, Mr. Liu Dagong (Chairman), Mr. Liu Wenyong, Mr. Zhao Yanshui, Mr. Yan Linjiao, Mr. Li Tengjiao, Mr. Shao Haichen, Mr. Zhang Jing, Mr. Li Youji, Mr. Liu Shuangcheng and Mr. Zhao Fei, and three independent non-executive Directors, namely Mr. Lu Zhongmin, Mr. Chen Zhi and Mr. Chan Sau Shan.