

Wafangdian Bearing Co., Ltd

Announcement of Dividend Distribution for Year 2018

Our company, the whole members of the board of directors and top managements ensured the truth, accuracy, completeness, no false record, misleading statement and fatal omit of the announcement.

I.The shareholders' meeting deliberated and approved the profit distribution plan

1.Wafangdian bearing co. LTD(hereinafter referred to as "company")Profit distribution plan for 2018(hereinafter referred to as "distribution plan")has been approved by the company's annual shareholders' meeting in 2018, which was held on June 26, 2019.Scheme for the company on December 31, 2018, a total of 402,600,000 shares of base, every 10 shares distributed to all shareholders in cash dividend of 0.40 yuan (including tax), do not turn add equity capital accumulation fund, do not send shares.The announcement of the resolution of the company's 2018 annual shareholders' meeting was published in the Securities Times, Hong Kong Business Daily and Juchao information network (<http://www.cninfo.com.cn>) on June 27, 2019.

2.The total share capital of the company has not changed since the disclosure of the above profit distribution scheme to the implementation period.

3.The distribution plan implemented this time is consistent with the plan approved by the shareholders' meeting.

4.The implementation of the distribution plan is less than two months before the shareholders' meeting.

II.The dividend plan

The dividend plan for Year 2018: Based on 402.60 million shares, the Company decided to distribute the before-tax cash dividend of RMB 0.4 per 10 shares (tax included, after tax deduction, the amount of cash for non-resident B-share enterprises and individuals holding pre-ipo restricted shares will be dividend of RMB 0.36 per 10 shares, The dividend bonus tax for domestic individual shareholders who hold unlimited shares for sale shall be levied at a differential tax rate, distributed cash dividend of RMB 0.4 per 10 shares firstly, and tax shall be paid according to the actual term of shareholding after reducing of shares¹.

[Note 1: On first –in –first –out basis, shareholding periods are calculated upon each shareholders' account ,namely RMB 0.08 of tax per 10 shares for under 1month(include);RMB0.04 of tax per share for between 1 month and 1year(include);no tax is payable for over one year.]

Dividend for B shares will be distributed in Hong Kong Dollar. The exchange rate will be the medial rate between RMB and HKD (HKD1.00 = RMB 0.8807) published by People's Bank of China at

the 1st bank day (June 27, 2019) after the Shareholders' Annual Meeting 2018, Future withholding of B shares, personal shareholders need to pay taxes, reference to the above exchange rate translation.

III.Registration day and Ex-dividend day

The final trading day: July 23, 2019(T)

Ex-dividend date: July 24, 2019(T+1)

B share registration date: July 26, 2019 (T+3)

The state-owned legal-person registration date: July 26, 2019 (T+3)

IV.Qualifications for the dividend

All of the B shareholders registered by China Securities Depository & Clearing Corporation Ltd. Shenzhen Branch upon the closing of Shenzhen Stock Exchange in the afternoon of July 26, 2019 (T+3) (The final trading day is July 23, 2019)

V.Way of distribution

The circulation B shares dividend will be directly transferred on July 26, 2019 into the shareholder's accounts of entrusted Security agency or entrusted bank; Shareholders whose B shares are entrusted on July 26, 2019, they can still withdraw their dividends at the former entrusted security agency or the entrusted banks.

Dividends for the shareholders with state-owned legal-person shares will be distributed directly by the company;

VI.Others

If the B shareholder is not belong to the churchyard individual foreign individual and non-residential enterprise ,but their bonuses tax are deducted, please contact with the Company before July 31, 2019 (including the date of July 31), and provide related materials requested by the Tax bureau, company will help to refund the tax after affirmed.

VII.Contact person: Investment and Security Department of WBC

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Wafangdian Bearing Co., Ltd.

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