Wafangdian Bearing Company Limited
Resolution of the 9th Session of 8th BOD

The Company and all members of the BOD guarantee that the information disclosed is true, accurate and completed, and that there are no false records, misleading statements or material omissions.

I. Convening of the Board Meeting

1. Time and manner of the notification

The notice on convening the 9th session of 8th BOD under the name of Wafangdian Bearing Company Limited was sent by written fax on 13 April 2021.

2. Time, place and manner of the Board Meeting

The 9th session of 8th BOD to be held on 23 April 2021 at 9:30 a.m. in the conference room 1004 of the office building of Wafangdian Group by means of on-site combined communication(video conference) .

3. Number of directors who should have attended the Meeting and actual number of directors who attended

11 directors should attend, 11 actually attended

4. Moderator of the Meeting and participants of the Meeting

The Meeting was chaired by President Mr. Liu Jun, and company three supervisors, two senior executives to attend the meeting.

5. The Meeting of the BOD was held in accordance with the relevant provisions of Company laws and Article of Association.

II. Meeting consideration

1. Board of Directors' Report for 2020;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

2. Profit Distribution Proposals for year of 2020;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

According to the audit of ShineWing Certified Public Accountants, the company's 2020 net profit attributable to shareholders of the parent company is -380,228,430.56 yuan, plus the undistributed profit at the beginning of the year of 201,379,956.97 yuan, the attributable profit is -178,848,473.59 yuan, and after deducting the cash dividend distributed to shareholders in 2019 of 32,208,000.00 yuan, the undistributed profit at the end of the period is -211,056,473.59 yuan.

Considering the actual situation of the company and its business needs, the company studied and decided that the company would not distribute dividends, distribute bonus shares, or convert public reserves into share capital in 2020.

3. Financial Report for year of 2020(Audited);

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

4. Financial Budget for year of 2021;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

5. Annual Report of 2020 and Summary ;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

6. Proposal of Daily Related Transactions Forecast for year of 2021;

Voting result: 7 valid votes, 7 in favor, 0 against, 0 abstentions

Associated director Liu Jun, Zhang Xinghai, Chen Jiajun and Sun Najuan avoid themselves from voting.

7. Self-assessment Report of Internal Control;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

8. Proposal on Change of Accounting Policy;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

9. Proposal for the Proposed Renewal of Accounting Firm;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

The BOD decided to accept the proposal of the audit committee and plan to continue to engage ShineWing Certified Public Accountants as the company's 2021 annual internal control audit agency and 2021 annual financial report audit agency, of which the internal control audit fee is 170,000 yuan per year (including board and lodging expenses, transportation expenses, etc.), the annual financial report audit fee is 530,000 yuan/year (including board and lodging expenses, transportation expenses, etc.).

10. The First Quarterly Report of 2021;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

11. Financial Report for Q1 of 2021 (unaudited);

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

12. Proposal for Provision of Assets Impairment;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

13. Proposal of Assets Purchase and Related Transactions (including the agreement);

Voting result: 7 valid votes, 7 in favor, 0 against, 0 abstentions

Associated director Liu Jun, Zhang Xinghai, Chen Jiajun and Sun Najuan recuse themselves from voting.

14. Proposal to Adjust the Business Scope of the Company;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

15. Proposal to Amend the Article of Association;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

16. Proposal on Election of the Independent Director Candidates;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

In view of the imminent expiration of the term of office of Mr. Wen Bo, the independent director of the Company, according to the relevant provisions of the Company Law and the Articles of Association, the Board of Directors of the Company elects Ms. Wang Yan as the candidate of the independent director of the Eighth Board of Directors of the Company. (Applicant's CV attached)

The above candidates have obtained the independent director qualification certificate recognized by the Shenzhen Stock Exchange.

The proposal will be submitted to the 2020 Annual General Meeting of Shareholders for deliberation after the qualification of the independent director candidate has been put on record and examined by the Shenzhen Stock Exchange without objection.

17. Proposal on Convening the AGM of 2020;

Voting result: 11 valid votes, 11 in favor, 0 against, 0 abstentions

The AGM of 2020 will held on 19 May 2021.

The Meeting heard the following matters:

1. Performance Report of 2020 from the Auditing Committee

2. Summary Report on the Annual Auditing of 2020 by Accounting Firms from the Auditing Committee

3. Report on Work of Independent Directors

Independent directors of the Company expressed their prior approval of the proposals in item 6, 9 and 13, and issued independent opinions on item 2, 6, 7, 8, 9, 12, 13 and 16. The prior approvals and independent directors' opinions found more in the Notice released on appointed website (Juchao website http://www.cninfo.com.cn) for information disclosure.

Proposal 1, 2, 3, 4, 5, 6, 9, 12, 14, 15 and 16 are to be submitted for consideration and approval at the AGM of 2020.

Full content of the proposal 5, 6, 7, 8, 9, 10, 12, 13, 15 and 17 found more in the notice released on appointed website (http://www.cninfo.com.cn) for information disclosure.

III. Documents Available for Reference

1.Resolution of 9th Session of 8th BOD of Wafangdian Bearing Company Limited;

2. Auditing Report of 2020;

3.The Annual Report 2020 and First Quarterly Report of 2021 with the signature of company's legal person, person in charge of the accounting works and person in charge of the accounting organ as well as the company seals;

4. Auditing Report of Internal Control;

5. Independent Director's Opinion;

6. Prior Approval Letter from Independent Directors

Hereby notify

Board of director of

Wafangdian bearing Company limited

26 April 2021

Attachment: Resume of Ms. Wang Yan

Ms. Wang Yan, born in 1963, is a professor and master tutor at the law school of Dongbei University of Finance and Economics. In 1981, he graduated from China University of Political Science and Law with a bachelor's degree in law. In 1988, he graduated from China University of Political Science and Law with a master's degree in economic law. Since 1988, he has been teaching at the Law School of Dongbei University of Finance and Economics. Ms. Wang Yan served as an independent director of China Dalian International Cooperation (Group) Co., Ltd. (retired), CGN Nuclear Technology Development Co., Ltd. (retired), Dalian Liancheng CNC Machine Co., Ltd. (in office) and Bingshan Leng Heating Technology Co., Ltd. (in office). Member of China Economic Law Society, President of Economic Law Society of Liaoning Province Law Society, Academic Committee member of Liaoning Province Law Society; Standing director of the first session of the Council of Dalian People's Mediation Association, member of the Expert Advisory Committee of Dalian Intermediate People's Court, legal adviser of Dalian Consumer Association, Pulandian Municipal Government and Dalian Municipal Government Governing City by Law Office; Dalian, Anshan, Benxi Arbitration Commission arbitrator, part-time lawyer; He served successively as director of the teaching department of economic law and vice dean of the law school of Dongbei University of Finance and Economics.

Ms. Wang Yan is not prohibited from serving as an independent director as stipulated in the Company Law, the Guidelines on the Normative Operation of Listed Companies on the Shenzhen Stock Exchange and the Articles of Association. She has not been confirmed as a prohibited person in the market by China Securities Regulatory Commission and has the necessary independence and independent director qualifications.