Wafangdian Bearing Co., LTD
Indicative notice on exemption of offer for free transfer of state-owned equity of the parent company shareholder of controlling shareholder

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.

Special note:

This acquisition is a free transfer of state-owned assets. According to the relevant provisions of 63 of the Measures for the Administration of Acquisition of Listed Companies, the offer can be exempted.

After the completion of this acquisition, the actual controller of the company remains Dalian State-owned Assets Supervision and Administration Commission (hereinafter referred to as "Dalian Sasac"); Dalian State-owned Capital Management and Operation Co., LTD. (hereinafter referred to as the "Municipal State-owned Capital Operation Company") is newly added as the indirect controlling shareholder of Wafangdian Bearing Co., LTD. (hereinafter referred to as the "Company"), and the direct controlling shareholder and actual controller of the company remain unchanged.

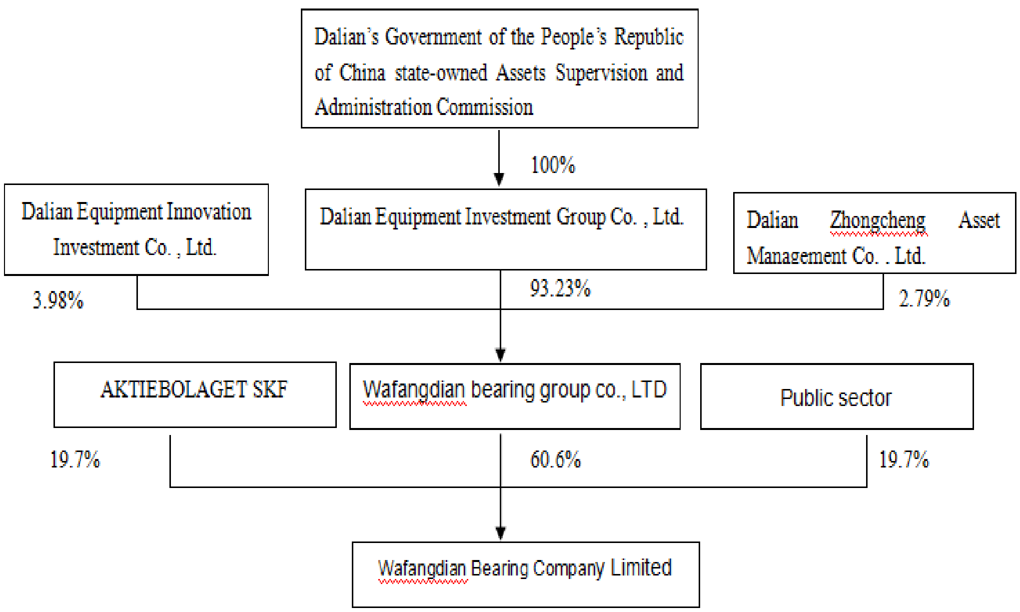
I. Reasons for this acquisition

In order to thoroughly implement the three-year action of the reform of state-owned enterprises, optimize the distribution of state-owned capital, further improve the efficiency and level of the operation and management of state-owned enterprises, and promote the sustainable and healthy development of Dalian state-owned enterprises, According to "about advancing the city state-owned enterprise strategic layout optimization of the overall implementation plan" and "about the four companies such as equipment investment group co., LTD., Dalian state-owned equity transfer to free state-owned capital management operation in Dalian co., LTD., notice, Dalian municipal people's government decided to Dalian equipment investment group co., LTD. 100% stake in state-owned assets operating company free transfer to city, In order to further integrate Dalian state-owned assets, strengthen endogenous development power, promote the value preservation and increase of state-owned assets.

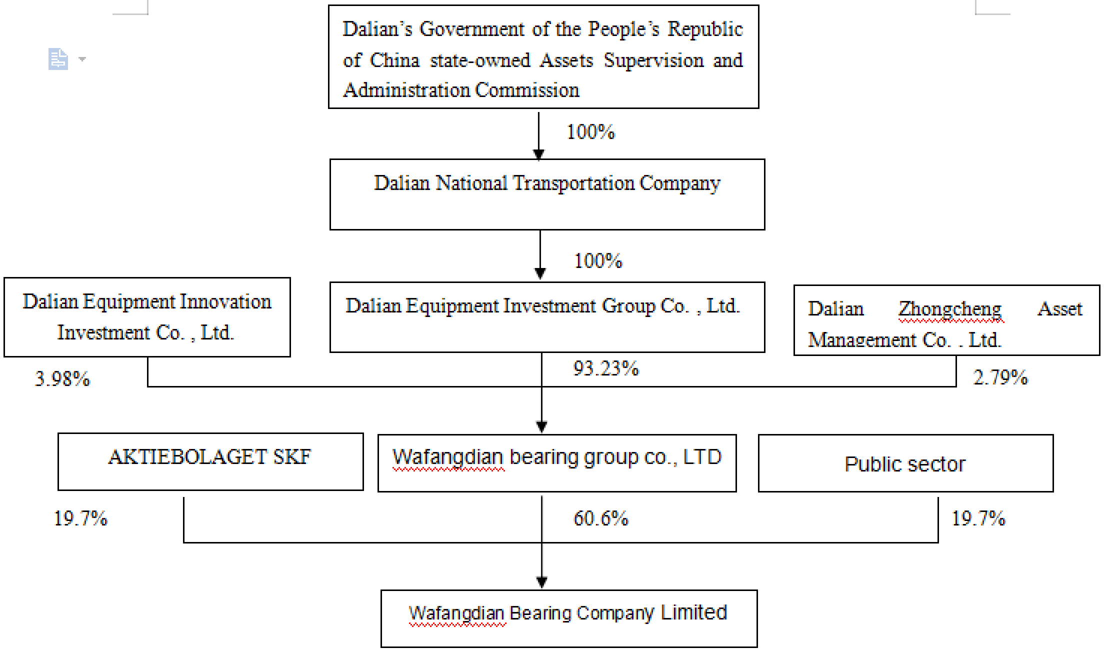
II. Basic information of the acquisition

According to "about the four companies such as equipment investment group co., LTD., dalian state-owned equity transfer free of charge to the notice of state-owned capital management operation in Dalian co., LTD (power assets rights [2022] no. 74), the sasac will equip its holdings of Dalian in Dalian investment group co., LTD. 100% stake in the free transfer to the municipal state-owned assets operating companies. Before the free transfer, the city state-owned operating company does not have the company's rights and interests. After the free transfer, The Municipal State-owned assets Operating Company indirectly holds 244,000,000 shares of the company through Dalian Equipment Investment Group Co., LTD., accounting for 60.6% of the total share capital of the company. Therefore, this free transfer constitutes an indirect acquisition of the listed company under the same control.

Before this free transfer, the property rights of the listed company are as follows:



After this free transfer, the property rights of the listed company are as follows:



III. Other relevant instructions

After the completion of the acquisition, the actual controller of the company is still Dalian State-owned Assets Supervision and Administration Commission, and the controlling shareholder is still Wazhou Group. According to the relevant provisions of the Measures for the Administration of Acquisition of Listed Companies, the municipal state-owned operating Company, the information disclosure agent, has prepared the acquisition report on the above matters, and hired a lawyer to issue a legal opinion. For details, see the "Wafangdian Bearing Co., LTD. Acquisition Report Summary" disclosed on Juchao Information network (HTTP //www.cninfo.com.cn) on the same day.

Hereby notify

Board of director of

Wafangdian bearing Company limited

June 29, 2022