

Stock Code: 000706

Notice No.: 2023-14

Short Form of the Stock: Wazhou B

Wafangdian Bearing Company Limited

The First Quarterly Report of 2023

The Company and whole members of the Board guarantee that the information disclosed is true, accurate and complete and there are no fictitious records, misleading statements or material omissions carried in the Report.

Important Note:

1. Board of Directors and the Supervisory Committee of Wafangdian Bearing Company Limited (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.

2. Person in charge of the Company, head of accounting and person in charger of accounting organ (accounting officer) hereby confirm that the financial information of this Quarterly Report is authentic, accurate and complete.

3. The first quarterly report audited or not

Yes No

I. Main financial data

(i) Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	Current Period	Same period of last year	Changes of this period over same period of last year (%)
Operating income (Yuan)	605,154,931.63	516,856,921.09	17.08%
Net profit attributable to shareholders of listed company (Yuan)	-22,736,404.65	-31,201,728.45	27.13%
Net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses (Yuan)	-27,072,214.12	-36,234,334.17	25.29%
Net cash flow from Operating activities (Yuan)	-97,995,389.08	-112,415,257.84	12.83%
Basic earnings per share (RMB/share)	-0.0565	-0.0775	27.10%
Diluted earnings per share (RMB/share)	-0.0565	-0.0775	27.10%
Weighted average return on equity	-4.94%	-5.26%	0.32%
	End of this period	End of last period	Changes of this period-end over same period-end of

			last year (%)
Total assets (yuan)	3,261,756,772.87	3,324,777,599.86	-1.90%
Owners' equity attributable to Shareholders of Listed companies (Yuan)	450,373,268.71	470,302,993.46	-4.24%

(ii) Items of non-recurring gains and losses√ Applicable Not applicable

Unit: RMB/CNY

Item	Current amount	Note
Gain or loss on disposal of non-current assets (including the write-off part of the asset impairment reserve accrued)	11,964.74	
Government subsidies booked into current profit and loss (closely related to the company's normal business, except government subsidies in line with national policies and provisions, in accordance with a certain standard quota or quantitative)	2,389,419.56	
Gains and losses on debt restructuring	2,497,803.62	
Other non-operating income and expenses other than those mentioned above	296,608.90	
Less: Income tax impact	859,987.35	
total	4,335,809.47	

Details of other gains/losses items that meet the definition of non-recurring gains/losses:

 Applicable Not applicable

There are no other gains/losses items that meet the definition of non-recurring gains/losses in the Company.

Explain the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss

 Applicable Not applicable

There are no items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss

(iii) Circumstances and reasons for changes in major accounting data and financial indicators Applicable Not applicable**II. Shareholder information****(i) The total number of ordinary shareholders, the number of preferred shareholders whose voting rights have been restored and a statement of the holdings of the top 10 shareholders**

Unit: share

Total number of common shareholders at the end of report period	5,351	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of non-tradable shares held	Information of shares pledged, tagged or frozen	
					State of share	Amount
Wafangdian	State-owned	60.61%	244,000,000.00	244,000,000.00		

Bearing Group Corp., Ltd.	legal person					
AKTIEBOLAG ET SKF	Foreign legal person	19.70%	79,300,000.00			
China Merchants Securities Hong Kong Limited	Overseas legal person	2.23%	8,962,695.00			
Huang Junyue	Domestic natural person	1.81%	7,302,709.00			
Hu Xiaofeng	Domestic natural person	0.47%	1,879,277.00			
BOCI SECURITIES LIMITED	Foreign legal person	0.33%	1,310,000.00			
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	Foreign legal person	0.26%	1,037,311.00			
Meng Qingliang	Domestic natural person	0.24%	966,048.00			
Jin Yunhua	Domestic natural person	0.18%	727,900.00			
MAN,KWAI WING	Foreign natural person	0.18%	713,101.00			
Top ten shareholders with tradable shares held						
Shareholder's name	Amount of listed shares held	Type of shares		Amount		
		Type	Amount			
AKTIEBOLAGET SKF	79,300,000.00	Domestically listed shares	foreign shares	79,300,000.00		
China Merchants Securities Hong Kong Limited	8,962,695.00	Domestically listed shares	foreign shares	8,962,695.00		
Huang Junyue	7,302,709.00	Domestically listed shares	foreign shares	7,302,709.00		
Hu Xiaofeng	1,879,277.00	Domestically		1,879,277.00		

		listed foreign shares	
BOCI SECURITIES LIMITED	1,310,000.00	Domestically listed foreign shares	1,310,000.00
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	1,037,311.00	Domestically listed foreign shares	1,037,311.00
Meng Qingliang	966,048.00	Domestically listed foreign shares	966,048.00
Jin Yunhua	727,900.00	Domestically listed foreign shares	727,900.00
MAN,KWAI WING	713,101.00	Domestically listed foreign shares	713,101.00
Jiang Guangsen	687,900.00	Domestically listed foreign shares	687,900.00
Explanation on associated relationship among the aforesaid shareholders	Among the top ten shareholders, there is no affiliation or concerted action between the first majority shareholder and other shareholders or the top ten outstanding shareholders; Affiliation or concerted action among other shareholders, among the top ten outstanding shareholders, and between the top ten outstanding shareholders and other shareholders are not available.		

(ii) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

III. Other important matters

Applicable Not applicable

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate Balance Sheet

Prepared by Wafangdian Bearing Company Limited

Unit: RMB/CNY

Item	Ending balance	Opening balance
Current assets:		
Monetary funds	234,897,275.04	330,746,706.88
Settlement of provisions		
Loan funds		
Trading financial assets	243,454.50	243,454.50

Derivative financial assets		
Notes receivable	425,352,973.87	469,784,593.61
Accounts receivable	1,184,130,234.43	1,136,295,329.59
Financing of receivables	49,123,224.48	30,996,930.63
prepayment	38,354,936.74	52,901,066.01
Premium receivable		
Reinsurance accounts receivable		
Reserves receivable for reinsurance contracts		
Other receivables	14,590,888.08	10,555,282.33
Among them: interest receivable		
Dividends receivable		
Buy and resell financial assets		
inventory	681,734,515.69	646,619,143.91
Contractual assets	0.00	601,375.84
Holding assets for sale		
Non-current assets due within one year		
Other current assets	13,995,360.29	15,681,599.83
Total current assets	2,642,422,863.12	2,694,425,483.13
Non-current assets:		
Make loans and advances		
Debt investment		
Other debt investments		
Long-term receivables		
Long-term equity investment		
Investment in other equity instruments	11,926,856.64	11,926,856.64
Other non-current financial assets		
Investment real estate	66,155,443.05	67,211,806.69
Fixed assets	390,310,556.53	391,769,315.64
Construction in progress	74,490,139.04	81,891,139.54
Productive biological assets		
Oil and gas assets		
Use right assets		
Intangible assets	76,353,492.57	77,438,618.71
Development expenditure		
goodwill		
Long-term deferred expenses	97,421.92	114,379.51
Deferred tax assets		
Other non-current assets		
Total non-current assets	619,333,909.75	630,352,116.73
Total assets	3,261,756,772.87	3,324,777,599.86
Current liabilities:		
Short-term loan	698,000,000.00	699,000,000.00
Borrow from the central bank		
Borrowed funds		
Trading financial liabilities		
Derivative financial liability		
Notes payable	459,220,268.41	462,446,562.00
Accounts payable	1,306,376,220.39	1,300,975,034.72
Advances received		
Contractual liability	25,796,380.38	30,449,983.07
Selling repurchase funds of financial assets		
Deposit-taking and interbank		

deposits		
Agent to buy and sell securities		
Agent underwrites securities		
Employee compensation payable	16,638,985.36	46,797,303.83
Taxes payable	14,241,606.00	26,467,193.95
Other payables	184,961,516.77	180,459,153.26
Among them: interest payable		
Dividends payable		
Commissions and commissions payable		
Reinsurance accounts payable		
Holding liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	3,313,615.86	4,294,078.63
Total current liabilities	2,708,548,593.17	2,750,889,309.46
Non-current liabilities:		
Insurance contract reserve		
Long-term loan		
Bonds payable		
Among them: preferred stock		
Perpetual debt		
Lease liability		
Long-term payables	344,974.84	344,974.84
Long-term employee compensation payable		
Projected liability	54,613,759.15	54,288,933.94
Deferred income	47,249,267.98	48,324,479.14
Deferred income tax liabilities	626,909.02	626,909.02
Other non-current liabilities		
Total non-current liabilities	102,834,910.99	103,585,296.94
Total liabilities	2,811,383,504.16	2,854,474,606.40
Owner's equity:		
Capital stock	402,600,000.00	402,600,000.00
Other equity instruments		
Among them: preferred stock		
Perpetual debt		
Capital reserve	485,691,050.47	485,691,050.47
Minus: Treasury stocks		
Other comprehensive income		
Special reserve	4,739,889.76	1,933,209.86
Surplus reserve	136,770,391.01	136,770,391.01
General risk reserve		
Undistributed profit	-579,428,062.53	-556,691,657.88
Total owner's equity attributable to parent company	450,373,268.71	470,302,993.46
Minority shareholders' interests		
Total owners' equity	450,373,268.71	470,302,993.46
Total liabilities and equity	3,261,756,772.87	3,324,777,599.86

Legal Representative: Liu Jun

Person in charge of accounting works: Sun Najuan

Person in charge of accounting institute: Sunxinyan

2. Consolidated Profit Statement

Unit: RMB/CNY

Item	Current period	Last period
I. Gross operating income	605,154,931.63	516,856,921.09
Among them: operating income	605,154,931.63	516,856,921.09
Interest income		
Earned premium		
Fee and commission income		
li. Total operating costs	635,097,646.10	554,178,164.52
Among them: operating cost	534,741,247.58	459,307,688.70
Interest expense		
Commission and commission expenses		
Surrender premium		
Net claims disbursement		
Net reserve for insurance liability		
Policy dividend payout		
Reinsurance expense		
Taxes and surcharges	3,581,778.42	3,153,559.66
Selling expense	33,750,240.40	30,842,565.48
Administrative expenses	25,626,399.66	22,857,415.49
Research and development expenses	27,498,431.76	27,056,371.11
Financial expense	9,899,548.28	10,960,564.08
Among them: interest expense	7,330,986.12	6,949,881.80
Interest income	224,610.52	236,982.31
Plus: Other earnings	2,389,419.56	1,303,954.41
Investment income (loss marked with "-")	4,497,803.62	1,212,992.08
Among them: income from investment in joint venture and joint venture		
Financial assets measured at amortized cost cease to recognize income		
Exchange gain (loss marked with "-")		
Net exposure hedge gain (loss marked with "-")		
Gain on changes in fair value (loss marked with "-")	0.00	-30,817.03
Credit impairment loss (loss marked with "-")	10,513.00	38,891.11
Asset impairment loss (marked with "-")	0.00	194,436.80
Gain on disposal of assets (loss marked with "-")	11,964.74	848,457.68
lii. Operating profit (loss listed with "-")	-23,033,013.55	-33,753,328.38
Plus: non-operating income	315,285.14	2,597,979.12
Less: non-operating expenses	18,676.24	46,379.19
Iv. Total Profit (total loss listed with "-")	-22,736,404.65	-31,201,728.45
Less: Income tax expense		
V. Net profit (marked with "-" for net loss)	-22,736,404.65	-31,201,728.45
(1) Classification by business continuity		
1. Net profit from continuing operations (marked with "-" for net loss)	-22,736,404.65	-31,201,728.45
2. Net profit of discontinued operations (marked with "-" for net loss)		
(2) Classification according to ownership		
1. Net profit attributable to owners of the parent company	-22,736,404.65	-31,201,728.45
2. Profit and loss of minority shareholders		

Vi. Net of other comprehensive income after tax		
Net of other comprehensive income attributable to the owner of the parent company after tax		
(1) Other comprehensive income that cannot be reclassified into profit or loss		
1. Remeasure and set the variation of benefit plan		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments		
4. Changes in the fair value of the enterprise's own credit risk		
5. Others		
(2) Other comprehensive income reclassified into profit or loss		
1. Other comprehensive income that can be transferred to profit or loss under the equity method		
2. Changes in the fair value of other creditor's rights investments		
3. The amount of financial assets reclassified into other comprehensive income		
4. Reserve for credit impairment of other creditor's rights investments		
5. Cash flow hedge reserve		
6. Difference in translation of foreign currency financial statements		
7. Others		
Net of other comprehensive income attributable to minority shareholders after tax		
Vii. Total comprehensive income	-22,736,404.65	-31,201,728.45
Total comprehensive income attributable to the owner of the parent company	-22,736,404.65	-31,201,728.45
Total comprehensive income attributable to minority shareholders		
Viii. Earnings per Share:		
(1) Basic earnings per share	-0.0565	-0.0775
(2) Diluted earnings per share	-0.0565	-0.0775

Enterprise combine under the same control in the Period, the combined party realized net profit of 0.00 Yuan before combination, and realized 0.00 Yuan at last period for combined party.

Legal Representative: Liu Jun

Person in charge of accounting works: Sun Najuan

Person in charge of accounting institute: Sunxinyan

3. Consolidated Cash Flow Statement

Unit: RMB/CNY

Item	Current period	Last period
I. Cash flows generated from operating activities:		
Cash received from sales of goods and services provided	240,080,743.00	192,730,297.96
Net increase in customer deposits and interbank deposits		
Net increase in borrowing from the Central bank		

Net increase of funds borrowed from other financial institutions		
Cash from receipt of premiums from the original insurance contract		
Net cash received from reinsurance operations		
Net increase of depository and investment funds		
Cash for interest, charges and commissions		
Net increase in borrowed funds		
Net increase in repurchase funds		
Net cash received from agents buying and selling securities		
Tax refunds received	7,322,934.15	1,262,463.01
Other cash received in connection with operating activities	10,332,216.18	16,296,874.82
Subtotal of cash inflow from operating activities	257,735,893.33	210,289,635.79
Cash paid for goods purchased or services received	189,871,214.47	166,960,415.32
Net increase in customer loans and advances		
Net increase in central bank and interbank deposits		
Cash payable on the original insurance contract		
Net increase of funds sold out		
Cash to pay interest, fees and commissions		
Cash to pay dividends on policies		
Cash paid to and for employees	111,010,795.58	116,252,789.39
All taxes paid	26,583,512.45	11,722,385.77
Disburse other cash in connection with operating activities	28,265,759.91	27,769,303.15
Subtotal of cash outflow from operating activities	355,731,282.41	322,704,893.63
Net cash flow from operating activities	-97,995,389.08	-112,415,257.84
ii. Cash Flows generated from investment activities:		
Recovery of cash received from investment		
Cash received from investment income	2,000,000.00	
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	0.00	981,190.00
Net cash received on disposal of subsidiaries and other operating units		
Other cash received in connection with investment activities		
Subtotal of cash inflows from investing activities	2,000,000.00	981,190.00
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	780,248.69	1,752,828.15
Cash paid by investment		
Net increase in pledged loans		
Obtain net cash paid by subsidiaries and other business units		
Disburse cash in connection with other investment activities		
Subtotal cash outflow from investment activities	780,248.69	1,752,828.15
Net cash flow from investing activities	1,219,751.31	-771,638.15
iii. Cash Flows generated by financing Activities:		
Absorb cash received from investments		
Among them: subsidiaries absorb minority shareholders investment received cash		

Obtain cash received on loan	288,000,000.00	300,000,000.00
Other cash received in connection with fund-raising activities	98,486,638.89	73,348,314.77
Subtotal cash inflow from financing activities	386,486,638.89	373,348,314.77
Cash to pay off debts	289,000,000.00	145,000,000.00
Cash disbursed to distribute dividends, profits, or interest payments	8,044,286.12	7,825,440.39
Among them: dividends and profits paid by subsidiaries to minority shareholders		
Disburse cash in connection with other fundraising activities	90,400,000.00	82,000,000.00
Subtotal cash outflow from financing activities	387,444,286.12	234,825,440.39
Net cash flows from financing activities	-957,647.23	138,522,874.38
4. The impact of exchange rate changes on cash and cash equivalents	-538,981.84	-687,990.74
5. Net increase in cash and cash equivalents	-98,272,266.84	24,647,987.65
Plus: Starting cash and cash equivalents balance	227,357,291.37	209,847,896.42
Vi. Balance of cash and cash equivalents at the end of the period	129,085,024.53	234,495,884.07

(ii) Audit report

Whether the 1st quarterly report has been audited or not

Yes No

The 1st quarterly report of the Company has not been audited.

**Board of Directors of
Wafangdian Bearing Company Limited**