

Stock code: 000706

Stock ID: Wazhou B

No.2023-28

Wafangdian Bearing Company Limited

The Third Quarterly Report for 2023

The Company and whole members of the BOD guarantee that the information disclosed is true, accurate and complete, and there are no any fictitious records, misleading statements or important omissions.

Important content reminder:

1. Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Wafangdian Bearing Company Limited (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.
2. Principal of the Company, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.
3. Whether the Third Quarterly Report has been 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

	This period	This reporting period compared with the same period of the previous year	From the beginning of the year to the end of the report	Increase or decrease from the beginning of the year to the end of the reporting period over the same period of the previous year
Operating income (yuan)	520,405,589.54	-7.05%	1,772,444,939.14	7.70%
Net profit attributable to shareholders of the listed company (Yuan)	-5,327,783.82	77.87%	-40,705,444.98	33.84%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (Yuan)	-10,141,352.34	64.34%	-54,971,756.09	28.72%
Net cash flow from operating activities (Yuan)	—	—	-134,480,899.14	-1,097.82%
Basic earnings per share (Yuan/share)	-0.0132	77.87%	-0.1011	33.84%
Diluted earnings per share (Yuan/share)	-0.0132	77.87%	-0.1011	33.84%
Weighted average return on equity	-1.22%	3.08%	-9.02%	1.62%
	At the end of this report	At the end of the year	The end of this report is more or less than the end of the previous year	
Total assets (yuan)	3,421,280,666.88	3,324,777,599.86	2.90%	
Owner's equity attributable to shareholders of the listed company (Yuan)	432,577,812.18	470,302,993.46	-8.02%	

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

Unit: Yuan

project	Amount for the period	Amount from year-begin to period-end	Note
Gain or loss on disposal of non-current assets (including the write-off portion of the impairment provision for assets already accrued)	289,502.36	1,106,872.85	
Government subsidies included in the current profit and loss (closely related to the company's normal business operations, except the government subsidies in accordance with the national policies and regulations, in accordance with a certain standard quota or quantitative continuous enjoyment)	3,572,890.05	7,046,861.39	
Debt restructuring gains and losses	1,824,841.93	6,153,819.50	
In addition to the effective hedging business related to the normal business operation of the company, the fair value change gains and losses arising from the holding of trading financial assets and trading financial liabilities, and the investment gains obtained from the disposal of trading financial assets, trading financial liabilities and financial assets available for sale	20,031.07	-7,704.25	
Other non-operating income and expenses other than those described above	-40,405.83	503,554.90	
Less: Income tax impact		2,000,000.00	
A combined	853,291.06	2,537,093.28	
project	4,813,568.52	14,266,311.11	--

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses:

Applicable Not applicable

The Company does not have other gain/loss items that qualified the definition of non-recurring profit (gains)/losses

Explanation on those non-recurring gain/loss listed in the “Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss” defined as recurring gain/loss

Applicable Not applicable

The Company does not have the non-recurring gain/loss listed in the “Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss” defined as recurring gain/loss

(iii) Particulars about changes in items of main accounting data and financial index and explanations of reasons

Applicable Not applicable

item	Current reporting period	The beginning of the year/the same period last year	Year-on-year increase or decrease	Cause of change
Monetary funds	230,695,287.68	330,746,706.88	-30.25%	Monetary collections received declined
Financing receivables	74,265,477.97	30,996,930.63	139.59%	The number of bank acceptances received rose by 15
Contract assets	0.00	601,375.84	-100.00%	Contract assets are recognized as accounts receivable at the beginning of the year
Other current assets	30,899,038.30	15,681,599.83	97.04%	The VAT allowance increased at the end of the report compared with the beginning of the year
Construction in progress	54,197,345.09	81,891,139.54	-33.82%	transfixation
Long-term deferred expenses	1,768,225.09	114,379.51	1445.93%	Decoration money
Payroll payable to employees	22,104,258.40	46,797,303.83	-52.77%	The year-end bonus and year-end performance are mainly provided at the end of the previous year, and the actual payment is in January this year
Special reserve	4,913,473.56	1,933,209.86	154.16%	The balance of safety-related expenses increased during the period
Research and development expense	91,345,297.64	143,194,245.14	-36.21%	Mainly due to research and development projects, progress and the same period is different
Gain on changes in fair value	-7,704.25	-80,124.28	-90.38%	Chongqing Iron and steel stock price changes

Credit impairment loss (loss marked with "-")	3,185,699.60	1,230,940.10	158.80%	During the current period, the sales branch recovered accounts receivable, and the commercial commitments held at the end of the previous year matured, and credit impairment losses were offset
Gain on disposal of assets (loss marked with "-")	1,193,288.60	2,034,765.97	-41.35%	Higher gain from sale of equipment in the same period last year
Non-operating income	653,095.68	4,033,301.85	-83.81%	In the same period of last year, the dealer margin was fined and the accounts were written off
Non-operating expenses	235,956.53	117,677.25	100.51%	Loss on retirement of non-current assets increased during the period compared to the same period

II. Shareholders Information

(i) Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

Unit: Share

Total common shareholders at the end of report period		5,224	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	Number of non-tradable shares held	Information of shares pledged, tagged or frozen	
					State of share	Amount
Wafangdian Bearing Group Corporation	State-owned legal person	60.61%	244,000,000	244,000,000		
AKTIEBOLAG ET SKF	Foreign legal person	19.70%	79,300,000			
China Merchants Securities Hong Kong Co., Limited	State-owned legal person	2.23%	8,995,895			
Huang Junyue	Domestic natural person	1.81%	7,302,709			
Hu Xiaofeng	Domestic natural person	0.47%	1,879,277			
BOCI SECURITIES LIMITED	Foreign legal person	0.33%	1,310,000			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign legal person	0.26%	1,037,111			
Meng Qingliang	Domestic natural person	0.24%	966,048			
Jin Yunhua	Domestic natural person	0.18%	727,900			
MAN,KWAI	Foreign natural	0.18%	713,101			

WING 文贵荣	person				
Shareholding of the top 10 shareholders of tradable shares					
Shareholders' name	Number of listed shares held	Type of shares		Type	Amount
AKTIEBOLAGET SKF	79,300,000.00			B	79,300,000.00
China Merchants Securities Hong Kong Co., Limited	8,995,895.00			B	8,995,895.00
Huang Junyue	7,302,709.00			B	7,302,709.00
Hu Xiaofeng	1,879,277.00			B	1,879,277.00
BOCI SECURITIES LIMITED	1,310,000.00			B	1,310,000.00
GUOTAIJUNAN SECURITIES(HONGKONG) LIMITED	1,037,111.00			B	1,037,111.00
Meng Qingliang	966,048.00			B	966,048.00
Jin Yunhua	727,900.00			B	727,900.00
MAN,KWAIWING 文贵荣	713,101.00			B	713,101.00
Jiang Guangsen	687,900.00			B	687,900.00
A description of the above shareholder affiliation or concerted action		Among the top ten shareholders of the Company, there is no correlation or concerted action between the largest shareholder and other shareholders or the top ten tradable shareholders, and the correlation or concerted action between other shareholders, the top ten tradable shareholders, and the top ten tradable shareholders is unknown.			
Description of the Top 10 shareholders' participation in margin trading (if any)		None			

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

Applicable Not applicable

III. Other significant events

Applicable Not applicable

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate balance sheet

Prepared by Wafangdian Bearing Company Limited

September 30, 2023

Unit: Yuan

Item	September 30, 2023	January 1, 2023
project		
Current Assets:	230,695,287.68	330,746,706.88
Monetary fund		
Provision for settlement		
Lending money,	235,750.25	243,454.50
Trading financial assets		
Derivative financial assets	527,797,913.88	469,784,593.61
Notes receivable	1,147,890,570.27	1,136,295,329.59
Accounts receivable	74,265,477.97	30,996,930.63

Financing of receivables	47,721,713.21	52,901,066.01
prepayments		
Premiums receivable		
Reinsurance accounts receivable		
Reserves for reinsurance contracts receivable	12,600,705.41	10,555,282.33
Other Accounts Receivable		
Among them: interest receivable		
Dividends receivable		
Buy financial assets for resale inventory	710,930,565.30	646,619,143.91
Contract assets		601,375.84
Holding assets for sale		
Non-current assets due within one year	30,899,038.30	15,681,599.83
Other current assets	2,783,037,022.27	2,694,425,483.13
Total current assets		
Non-current assets:		
Make loans and advances		
Creditor's rights investment		
Other creditor's rights investment		
Long term receivables		
Long-term equity investment	11,926,856.64	11,926,856.64
Investment in other equity instruments		
Other non-current financial assets	64,578,718.76	67,211,806.69
Investment real estate	431,587,592.48	391,769,315.64
Fixed assets	54,197,345.09	81,891,139.54
Projects under construction		
Productive biological asset		
Oil and gas assets		
Assets for use	74,184,906.55	77,438,618.71
Intangible assets		
The development of spending goodwill	1,768,225.09	114,379.51
Long-term deferred expenses		
Deferred tax assets		
Other non-current assets	638,243,644.61	630,352,116.73
Total non-current assets	3,421,280,666.88	3,324,777,599.86
Total assets		
Current liabilities:	598,000,000.00	699,000,000.00
Short-term borrowing		
Borrow from the central bank		
Funds borrowed from		
Trading financial liabilities		
Derivative financial liability	459,325,470.25	462,446,562.00
Notes payable	1,469,998,367.20	1,300,975,034.72
Accounts payable		
Advance payment	28,020,547.04	30,449,983.07
Contract liability		
Sell to repurchase financial assets		
Absorb deposits and interbank deposits		
Agent buying and selling securities		
Acting underwriting securities	22,104,258.40	46,797,303.83
Staff remuneration payable	22,841,208.44	26,467,193.95
Payable taxes	189,180,949.83	180,459,153.26
Other payables		
Among them: interest payable		

Dividends payable		
Charges and commissions payable		
Reinsurance accounts payable		
Holding liabilities for sale		
Non-current liabilities due within one year	3,629,338.17	4,294,078.63
Other current liabilities	2,793,100,139.33	2,750,889,309.46
Total current liabilities		
Non-current Liabilities:		
Insurance contract reserve	100,000,000.00	
Long-term borrowing		
Bonds payable		
Among them: Preferred stock		
Sustainable debt		
Lease liability	344,974.84	344,974.84
Long term payables		
Long-term employee compensation payable	49,542,162.08	54,288,933.94
Estimated debts	45,088,669.43	48,324,479.14
Deferred revenue	626,909.02	626,909.02
Deferred tax liability		
Other non-current liabilities	195,602,715.37	103,585,296.94
Total non-current liabilities	2,988,702,854.70	2,854,474,606.40
Total liabilities		
Owner's equity:	402,600,000.00	402,600,000.00
equity		
Other equity instruments		
Among them: Preferred stock		
Sustainable debt	485,691,050.47	485,691,050.47
Capital reserves		
Minus: Treasury stock		
Other comprehensive income	4,913,473.56	1,933,209.86
The special reserve	136,770,391.01	136,770,391.01
Surplus reserves		
General risk provision	-597,397,102.86	-556,691,657.88
Undistributed profit	432,577,812.18	470,302,993.46
Total owner's equity attributable to parent company		
Minority shareholders' equity	432,577,812.18	470,302,993.46
Total owners' equity	3,421,280,666.88	3,324,777,599.86

Legal Representative: Liu Jun Person in charge of accounting works: Sun Najuan

Person in charge of accounting institute: Sun Xinyan

2. Consolidated Profit Statement (from the year-begin to the period-end)

Unit: Yuan

Item	Current period	Last period
I. Total operating income	1,772,444,939.14	1,645,697,096.71
Among them: operating income	1,772,444,939.14	1,645,697,096.71
Interest income		
The premium has been made		
Fee and commission income		
2. Total operating cost	1,833,139,488.11	1,726,828,943.14

Among them: operating cost	1,497,371,016.62	1,371,021,327.42
The interest payments		
Fees and commission expenses		
Surrender gold		
Net pay out for claims		
Draw the net insurance liability reserve		
Policy bonus pay out		
Reinsurance expenses		
Taxes and surcharges	10,271,031.69	9,099,454.53
Cost of sales	120,806,440.10	100,829,015.84
Management fees	88,371,130.31	79,151,190.94
Research and development costs	91,345,297.64	143,194,245.14
Finance charges	24,974,571.75	23,533,709.27
Among them: interest expense	21,251,558.12	22,994,933.14
Interest income	1,118,449.67	878,156.32
Plus: other benefits	7,046,861.39	5,517,783.13
Investment income (loss marked with "-")	8,153,819.50	6,987,004.81
Among them: income from investment in joint ventures and joint ventures		
Financial assets measured at amortized cost terminate recognition of earnings		
Exchange gain (marked with "-" for loss)		
Net exposure hedging gain (loss marked with "-")		
Income from change in fair value (marked with "-" for loss)	-7,704.25	-80,124.28
Credit impairment loss (marked with "-")	3,185,699.60	1,230,940.10
Asset impairment loss (marked with "-")	0.00	0.00
Gain on disposal of assets (loss marked with "-")	1,193,288.60	2,034,765.97
3. Operating profit (loss marked with "-")	-41,122,584.13	-65,441,476.70
Plus: non-operating income	653,095.68	4,033,301.85
Less: non-operating expenses	235,956.53	117,677.25
Iv. Total profit (total loss marked with "-")	-40,705,444.98	-61,525,852.10
Less: Income tax expense		
V. Net profit (Net loss marked with "-")	-40,705,444.98	-61,525,852.10
(a) classification according to business continuity		
1. Net profit from continuing operations (net loss marked with "-")	-40,705,444.98	-61,525,852.10
2. Net profit from terminated operations (net loss marked with "-")		
(2) Classification according to ownership		
1. Net profit attributable to shareholders of the parent company (net loss marked with "-")	-40,705,444.98	-61,525,852.10
2. Profit and loss of minority shareholders (net loss marked with "-")		
Net after tax of other comprehensive income		
Net after tax of other comprehensive income attributable to owner of parent company		
(1) Other comprehensive income that cannot be reclassified into profit or loss		
1. Re-measure the amount of change in the set benefit plan		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of other equity instrument investments		
4. The fair value change of the enterprise's own credit risk		
5. Other		
(2) Other comprehensive income reclassified into profit and loss		

1. Other comprehensive income that can be transferred to profit or loss under the equity method		
2. Changes in fair value of other debt investments		
3. The amount of financial assets reclassified into other comprehensive income		
4. Provision for impairment of other creditor's rights investment credit		
5. Cash flow hedging reserve		
6. Translation difference of foreign currency financial statements		
7. Other		
Net after tax of other comprehensive income attributable to minority shareholders		
7. Total comprehensive income	-40,705,444.98	-61,525,852.10
(1) Total comprehensive income attributable to the owner of the parent company	-40,705,444.98	-61,525,852.10
(2) Total comprehensive income attributable to minority shareholders		
8. Earnings per Share		
(1) Basic earnings per share	-0.1011	-0.1528
(2) Diluted earnings per share	-0.1011	-0.1528

Legal Representative: Liu Jun Person in charge of accounting works: Sun Najuan

Person in charge of accounting institute: Sun Xinyan

3. Consolidated Cash Flow Statement (from the year-begin to the period-end)

Unit: Yuan

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	721,372,861.12	887,392,663.32
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	25,407,770.48	20,290,372.99
Other cash received concerning operating activities	43,418,476.80	52,246,684.48
Subtotal of cash inflow arising from operating activities	790,199,108.40	959,929,720.79
Cash paid for purchasing commodities and receiving labor service	463,668,190.64	551,349,708.47
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	289,980,382.54	291,086,051.72
Taxes paid	65,488,368.68	33,525,249.94
Other cash paid concerning operating activities	105,543,065.68	95,195,882.43

Subtotal of cash outflow arising from operating activities	924,680,007.54	971,156,892.56
Net cash flows arising from operating activities	-134,480,899.14	-11,227,171.77
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income	2,000,000.00	23,851.89
Net cash received from disposal of fixed, intangible and other long-term assets	468,000.00	1,691,310.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	2,468,000.00	1,715,161.89
Cash paid for purchasing fixed, intangible and other long-term assets	3,062,338.75	10,900,149.06
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	3,062,338.75	10,900,149.06
Net cash flows arising from investing activities	-594,338.75	-9,184,987.17
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	688,000,000.00	748,000,000.00
Other cash received concerning financing activities	372,098,651.66	103,197,142.45
Subtotal of cash inflow from financing activities	1,060,098,651.66	851,197,142.45
Cash paid for settling debts	689,000,000.00	727,000,000.00
Cash paid for dividend and profit distributing or interest paying	20,164,638.62	23,173,191.73
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	319,092,564.47	152,602,005.97
Subtotal of cash outflow from financing activities	1,028,257,203.09	902,775,197.70
Net cash flows arising from financing activities	31,841,448.57	-51,578,055.25
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	2,282,509.35	2,437,173.58
V. Net increase of cash and cash equivalents	-100,951,279.97	-69,553,040.61
Add: Balance of cash and cash equivalents at the period-begin	227,357,291.37	209,847,896.42
VI. Balance of cash and cash equivalents at the period-end	126,406,011.40	140,294,855.81

(2) The first implementation of the new accounting standards from 2023 to adjust the first implementation of the financial statements at the beginning of the year related items

Applicable Not applicable

(iii) Audit report

Whether the 3rd quarterly report has been audited or not

Yes No

The 3rd quarterly report of the Company has not been audited.

Board of Directors of
Wafangdian Bearing Company Limited
October 20, 2023