

Stock Code: 000706

Notice No.: 2024-10

Short Form of the Stock: Wazhou B

## Wafangdian Bearing Company Limited

### The First Quarterly Report of 2024

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 charge 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)	526,788,096.65	605,154,931.63	-12.95%
Net profit attributable to shareholders of listed company (Yuan)	-25,592,430.55	-22,736,404.65	-12.56%
Net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses (Yuan)	-36,610,233.58	-27,072,214.12	-35.23%
Net cash flow from Operating activities (Yuan)	-17,123,610.28	-97,995,389.08	82.53%
Basic earnings per share (RMB/share)	-0.0636	-0.0565	-12.57%
Diluted earnings per share (RMB/share)	-0.0636	-0.0565	-12.57%
Weighted average return on equity	-7.13%	-4.94%	-2.19%
	End of this period	End of last period	Changes of this period-end over same period-end of last year (%)
Total assets (yuan)	3,175,598,548.90	3,180,391,222.98	-0.15%
Owners' equity attributable to Shareholders of Listed companies (Yuan)	346,833,152.22	371,306,068.15	-6.59%

##### (ii) Items of non-recurring gains and losses

Applicable  Not applicable

Unit: RMB/CNY

Item	Current amount	Note
Gain or loss on disposal of illiquid assets (including the write-off of the asset impairment provision)	48,386.78	
Government subsidies included in the profit and loss of the current period (except government subsidies that are closely related to the normal operation of the company, comply with national policies and regulations, enjoy in accordance with determined standards, and have a continuous impact on the profit and loss of the company)	6,875,407.85	
In addition to the effective hedging business related to the normal operation of the company, the profit or loss of fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises and the loss or gain arising from the disposal of financial assets and financial liabilities	-13,867.66	
Gains and losses on debt restructuring	3,620,019.34	
Other non-operating income and expenditure other than those mentioned above	1,437,300.71	
Other items of profit or loss that meet the definition of non-recurring profit or loss	1,000,000.00	
Less: Income tax impact	1,949,443.99	
Total	11,017,803.03	--

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

Applicable  Not applicable

Investment in Shanghai Emyi electromechanical equipment chain Co., Ltd. to obtain dividends.

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

Unit: RMB/CNY

Number	Item	Closing balance	Opening number/same period last year	Amount of increase or decrease	Increase and decrease ratio	Explanation of change
1	Financing of receivables	72,703,179.81	55,546,474.87	17,156,704.94	30.9%	Subject to collections and payments
2	Payroll payable to employees	16,295,270.35	47,130,138.90	-30,834,868.55	-65.4%	Performance pay accrued at the end of last year will be paid this year
3	Research and development expense	18,534,661.99	27,498,431.76	-8,963,769.77	-32.6%	Mainly due to research and development projects, progress and the same period is different.
4	Other income	6,875,407.85	2,389,419.56	4,485,988.29	187.7%	This is mainly due to the increase in value-added tax
5	Non-operating income	1,496,055.86	315,285.14	1,180,770.72	374.5%	Increase in penalty revenue
6	Non-operating	58,755.15	18,676.24	40,078.91	214.6%	Increase in penalty expenses

	expenses					
7	Refund of taxes received	4,355,083.11	7,322,934.15	-2,967,851.04	-40.5%	The tax refunds received in the current period are lower than in the previous period
8	All taxes paid	11,438,332.49	26,583,512.45	-15,145,179.96	-57.0%	The VAT and supplementary taxes paid in the current period decreased year-on-year, mainly due to the tax delay policy, and the tax paid in the same period last year included the unpaid part in the previous period
9	Make other cash payments related to operating activities	44,003,223.11	28,265,759.91	15,737,463.20	55.7%	Payment increase
10	Effect of exchange rate changes on cash and cash equivalents	107,737.77	-538,981.84	646,719.61	-120.0%	Affected by exchange rate changes

## 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		5,196	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)		0	
Top ten shareholders(excluding shares lent through refinancing)						
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 Bearing Group Corp., Ltd.	State-owned legal person	60.61%	244,000,000.00	244,000,000.00	inapplicability	0.00
AKTIEBOLAGET SKF	Foreign legal person	19.70%	79,300,000.00	0.00	inapplicability	0.00
China Merchants Securities Hong Kong Limited	Overseas legal person	2.23%	8,995,895.00	0.00	inapplicability	0.00
Huang Junyue	Domestic natural person	1.81%	7,302,709.00	0.00	inapplicability	0.00
Hu Xiaofeng	Domestic natural person	0.47%	1,879,277.00	0.00	inapplicability	0.00
BOCI SECURITIES LIMITED	Foreign legal person	0.33%	1,310,000.00	0.00	inapplicability	0.00
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	Foreign legal person	0.26%	1,037,111.00	0.00	inapplicability	0.00
Meng Qingliang	Domestic natural person	0.24%	966,048.00	0.00	inapplicability	0.00
MAN,KWAI WING WenGuiRong	Domestic natural person	0.18%	713,101.00	0.00	inapplicability	0.00

JiangGuangSen	Domestic natural person	0.17%	687,900.00	0.00	inapplicability	0.00
Top ten shareholders with tradable shares held						
Shareholder's name	Amount of listed shares held			Type of shares		
				Type	Amount	
AKTIEBOLAGET SKF	79,300,000.00		Domestically listed foreign shares		79,300,000.00	
China Merchants Securities Hong Kong Limited	8,995,895.00		Domestically listed foreign shares		8,995,895.00	
Huang Junyue	7,302,709.00		Domestically listed foreign shares		7,302,709.00	
Hu Xiaofeng	1,879,277.00		Domestically listed foreign shares		1,879,277.00	
BOCI SECURITIES LIMITED	1,310,000.00		Domestically listed foreign shares		1,310,000.00	
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	1,037,111.00		Domestically listed foreign shares		1,037,111.00	
Meng Qingliang	966,048.00		Domestically listed foreign shares		966,048.00	
MAN,KWAI WING WenGuiRong	713,101.00		Domestically listed foreign shares		713,101.00	
JiangGuangSen	687,900.00		Domestically listed foreign shares		687,900.00	
WangWei	619,577.00		Domestically listed foreign shares		619,577.00	
Explanation on associated relationship among the aforesaid shareholders			None			
Description of the top 10 shareholders' participation in margin trading (if any)			None			

Shareholders holding more than 5%, the top 10 shareholders and the top 10 shareholders of unlimited tradable shares participate in the refinancing business to lend shares

Applicable  Not applicable

The top 10 shareholders and the top 10 shareholders of unlimited outstanding shares have changed from the previous period due to refinancing lending/restitution reasons

Applicable  Not applicable

**(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
<b>Current assets:</b>		
Monetary funds	181,382,991.69	210,814,228.05
Settlement of provisions		
Loan funds		
Trading financial assets	200,310.67	214,178.33
Derivative financial assets		
Notes receivable	564,125,867.91	450,721,512.23
Accounts receivable	1,055,860,010.47	1,086,438,008.68
Financing of receivables	72,703,179.81	55,546,474.87
prepayment	18,720,839.66	16,939,892.67
Premium receivable		
Reinsurance accounts receivable		
Reserves receivable for reinsurance contracts		
Other receivables	12,815,521.16	9,403,175.09
Among them: interest receivable		
Dividends receivable		
Buy and resell financial assets		
inventory	599,746,603.20	651,494,088.99
Where: Data resources		
Contractual assets		5,565,143.57
Holding assets for sale		
Non-current assets due within one year		
Other current assets	37,585,327.34	47,560,917.19
<b>Total current assets</b>	<b>2,543,140,651.91</b>	<b>2,534,697,619.67</b>
<b>Non-current assets:</b>		
Make loans and advances		
Debt investment		
Other debt investments		
Long-term receivables		
Long-term equity investment		
Investment in other equity instruments	11,910,077.43	11,910,077.43
Other non-current financial assets		
Investment real estate	69,348,433.29	68,614,653.76
Fixed assets	437,151,407.63	448,651,044.66
Construction in progress	34,931,314.54	37,354,969.68
Productive biological assets		
Oil and gas assets		
Use right assets		
Intangible assets	73,221,264.80	74,319,876.46
Where: Data resources		
Development expenditure		
Where: Data resources		
goodwill		
Long-term deferred expenses	5,895,399.30	4,842,981.32
Deferred tax assets		
Other non-current assets		
<b>Total non-current assets</b>	<b>632,457,896.99</b>	<b>645,693,603.31</b>
<b>Total assets</b>	<b>3,175,598,548.90</b>	<b>3,180,391,222.98</b>
<b>Current liabilities:</b>		
Short-term loan	598,000,000.00	598,000,000.00
Borrow from the central bank		
Borrowed funds		
Trading financial liabilities		
Derivative financial liability		

Notes payable	389,090,969.58	460,840,218.52
Accounts payable	1,443,213,269.57	1,269,200,269.48
Advances received		
Contractual liability	23,034,683.44	30,546,735.85
Selling repurchase funds of financial assets		
Deposit-taking and interbank deposits		
Agent to buy and sell securities		
Agent underwrites securities		
Employee compensation payable	16,295,270.35	47,130,138.90
Taxes payable	15,762,237.88	20,327,848.00
Other payables	147,615,188.16	185,396,158.28
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	2,983,971.03	4,574,730.79
Total current liabilities	2,635,995,590.01	2,616,016,099.82
Non-current liabilities:		
Insurance contract reserve		
Long-term loan	99,450,000.00	99,450,000.00
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	50,373,240.40	49,598,202.66
Deferred income	42,025,894.32	43,100,180.40
Deferred income tax liabilities	575,697.11	575,697.11
Other non-current liabilities		
Total non-current liabilities	192,769,806.67	193,069,055.01
Total liabilities	2,828,765,396.68	2,809,085,154.83
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	3,534,392.25	2,414,877.63
Surplus reserve	136,770,391.01	136,770,391.01
General risk reserve		
Undistributed profit	-681,762,681.51	-656,170,250.96
Total owner's equity attributable to parent company	346,833,152.22	371,306,068.15
Minority shareholders' interests		
Total owners' equity	346,833,152.22	371,306,068.15
Total liabilities and equity	3,175,598,548.90	3,180,391,222.98

Legal Representative: Liu Jun

Person in charge of accounting works: Sun Najuan

Person in charge of accounting institute: Sun Xinyan

## 2. Consolidated Profit Statement

Unit: RMB/CNY

Item	Current period	Last period
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I. Gross operating income	526,788,096.65	605,154,931.63
Among them: operating income	526,788,096.65	605,154,931.63
Interest income		
Earned premium		
Fee and commission income		
Ii. Total operating costs	565,421,974.05	635,097,646.10
Among them: operating cost	475,096,653.42	534,741,247.58
Interest expense		
Commission and commission expenses		
Surrender premium		
Net claims disbursement		
Net reserve for insurance liability		
Policy dividend payout		
Reinsurance expense		
Taxes and surcharges	3,212,846.21	3,581,778.42
Selling expense	34,751,895.22	33,750,240.40
Administrative expenses	25,942,227.65	25,626,399.66
Research and development expenses	18,534,661.99	27,498,431.76
Financial expense	7,883,689.56	9,899,548.28
Among them: interest expense	5,814,389.55	7,330,986.12
Interest income	412,272.25	224,610.52
Plus: Other earnings	6,875,407.85	2,389,419.56
Investment income (loss marked with "-")	4,620,019.34	4,497,803.62
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 "-")	-13,867.66	
Credit impairment loss (loss marked with "-")	74,199.83	10,513.00
Asset impairment loss (marked with "-")		
Gain on disposal of assets (loss marked with "-")	48,386.78	11,964.74
Iii. Operating profit (loss listed with "-")	-27,029,731.26	-23,033,013.55
Plus: non-operating income	1,496,055.86	315,285.14
Less: non-operating expenses	58,755.15	18,676.24
Iv. Total Profit (total loss listed with "-")	-25,592,430.55	-22,736,404.65
Less: Income tax expense		
V. Net profit (marked with "-" for net loss)	-25,592,430.55	-22,736,404.65
(1) Classification by business continuity		
1. Net profit from continuing operations (marked with "-" for net loss)	-25,592,430.55	-22,736,404.65
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	-25,592,430.55	-22,736,404.65
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	-25,592,430.55	-22,736,404.65
Total comprehensive income attributable to the owner of the parent company	-25,592,430.55	-22,736,404.65
Total comprehensive income attributable to minority shareholders		
Viii. Earnings per Share:		
(1) Basic earnings per share	-0.0636	-0.0565
(2) Diluted earnings per share	-0.0636	-0.0565

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

Unit: RMB/CNY

Item	Current period	Last period
I. Cash flows generated from operating activities:		
Cash received from sales of goods and services provided	291,413,316.91	240,080,743.00
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	4,355,083.11	7,322,934.15
Other cash received in connection with operating activities	10,530,178.95	10,332,216.18
Subtotal of cash inflow from operating activities	306,298,578.97	257,735,893.33
Cash paid for goods purchased or services received	154,042,858.44	189,871,214.47
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	116,643,641.89	111,010,795.58
All taxes paid	11,438,332.49	26,583,512.45



Disburse other cash in connection with operating activities	41,297,356.43	28,265,759.91
Subtotal of cash outflow from operating activities	323,422,189.25	355,731,282.41
Net cash flow from operating activities	-17,123,610.28	-97,995,389.08
II. Cash Flows generated from investment activities:		
Recovery of cash received from investment		
Cash received from investment income	1,000,000.00	2,000,000.00
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	10,657.35	
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	1,010,657.35	2,000,000.00
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	234,308.60	780,248.69
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	234,308.60	780,248.69
Net cash flow from investing activities	776,348.75	1,219,751.31
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	218,000,000.00	288,000,000.00
Other cash received in connection with fund-raising activities	110,652,041.31	98,486,638.89
Subtotal cash inflow from financing activities	328,652,041.31	386,486,638.89
Cash to pay off debts	218,000,000.00	289,000,000.00
Cash disbursed to distribute dividends, profits, or interest payments	10,925,952.20	8,044,286.12
Among them: dividends and profits paid by subsidiaries to minority shareholders		
Disburse cash in connection with other fundraising activities	93,271,849.22	90,400,000.00
Subtotal cash outflow from financing activities	322,197,801.42	387,444,286.12
Net cash flows from financing activities	6,454,239.89	-97,647.23
IV. The impact of exchange rate changes on cash and cash equivalents	107,737.77	-538,981.84
V. Net increase in cash and cash equivalents	-9,785,283.87	-98,272,266.84
Plus: Starting cash and cash equivalents balance	110,664,560.63	227,357,291.37
VI. Balance of cash and cash equivalents at the end of the period	100,879,276.76	129,085,024.53

**(ii) The first implementation of the new accounting standards from 2024 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 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**

**April 26, 2024**