

Wafangdian Bearing Company Limited

Announcement of Property sale

Our company, the whole members of the board of directors and top managements ensured the truth, accuracy, completeness, no false record, misleading statement and fatal omit of the announcement.

Wafangdian bearing co., LTD. (hereinafter referred to as "the company") held the first interim board meeting of 2018 on September 17, 2018, deliberated and passed the "bill on the sale of real estate". In order to clean up and revitalize the company's assets, the company intends to dispose of the houses located in self-defense street, zhongshan district, dalian city.

I.Summary of transactions:

Our company is located in no.26, self defense street, zhongshan district, dalian city. Due to historical reasons, no property ownership procedures have been completed. This time, we entrust the bearing group co., ltd. to package the above properties owned by the company for evaluation when it processes several properties owned by the company. After the asset evaluation, the company intends to make a public sale.

5 properties will be sold through public sale. 4 of them have reached preliminary agreement with non-associated natural persons, which does not constitute related transaction. As for the remaining one property to be sold to the public, it is not yet known whether it constitutes a related transaction. If the related transaction constitutes a related transaction and related approval and disclosure matters are touched, the company will perform related procedures again and make information disclosure. The sale price of the five properties sold by the company shall not be lower than the assessed value, and the price approved by the market shall prevail. In addition, the company will strictly follow the relevant laws, regulations and procedures for the transaction process, pricing principle, and the decision of selling to a third party for the disposal of the five properties.

According to article 9.3 (5) of stock listing rules of shenzhen stock exchange, the profits generated from trading account for more than 50% of the audited net profits of a listed company in the latest fiscal year, and the absolute amount is more than 5 million yuan, which shall be submitted to the shareholders' meeting for deliberation. The audited net profit of the company in 2017 is 10.18 million yuan. According to the preliminary calculation, the involved amount does not touch the disclosure standard, so it is unnecessary to submit to the shareholders' meeting for review.

According to the appraisal situation, the transaction to be sold does not constitute the material assets reorganization as stipulated in the measures for the management of material assets reorganization of listed companies. The company will fulfill the corresponding approval procedures and disclosure obligations in a

timely manner according to the actual progress of the sale of the asset subject matter in strict accordance with the stock listing rules, the articles of association and other relevant provisions.

II. Basic information of the buyer

Status of the purchaser who have reached a preliminary agreement

1)Name: Liu Shurong

Address: Jin Luan Road Number 75 1-4-3 of Wangfangdian City Liaoning Province

Not the dishonest person subjected to execution

2)Name: Feng Zezhong

Address: WU YI Road Number 897 5-2-2 of Wangfangdian City Liaoning Province

Not the dishonest person subjected to execution

2. Counterparties to another property being offered for public sale are still uncertain

III. Basic information of object

Details of the property to be disposed are as follows

| Name | m ² | Original value | Net value | Assessment | Attention |
|--|----------------|-------------------|-------------------|---------------------|---------------------------|
| Dalian City Zhong Shan area Zlwei street No 26 2-5 | 46.48 | 106,541.63 | 27,557.15 | 357,900.00 | Have been reach agreement |
| Dalian City Zhong Shan area Zlwei street No 26 2-6 | 59.31 | 135,950.60 | 35,163.82 | 456,687.00 | Have been reach agreement |
| Dalian City Zhong Shan area Zlwei street No 26 2-7 | 55.03 | 126,139.97 | 32,626.29 | 423,731.00 | Have been reach agreement |
| Dalian City Zhong Shan area Zlwei street No 26 2-8 | 65.77 | 150,758.24 | 38,993.84 | 506,429.00 | Have been reach agreement |
| Dalian City Zhong Shan area Zlwei street No 26 | 150.00 | 343,830.56 | 84,020.41 | 2,846,850.00 | Sale on public |
| Total | 376.59 | 863,221.00 | 218,361.51 | 4,591,597.00 | |

The ownership of the assets mentioned above is clear. There is no right of mortgage, pledge or other third party. There is no major dispute, lawsuit or arbitration concerning the assets.

IV.The main contents of the transaction agreement

The main contents of the transaction agreement have been preliminarily concluded

Both parties:

Seller (hereinafter referred to as party a) :

wafangdian bearing co., LTD

Buyer (hereinafter referred to as party b) :

liu shurong (residence 2-6, 2-7, 2-8, no. 26, self-defense street, zhongshan district, dalian)

Feng zezhong (2-5 residence, no. 26, self-defense street, zhongshan district, dalian)

1.Transfer price and payment

1) Transfer price: according to the public bidding result, party a transfers the price of the subject matter hereunder to party b. The total amount received is calculated and collected based on the registered area in the use certificate issued.

2) Payment method: check or wire transfer.

2. Delivery date

Party a shall, within 10 days upon receipt of the full price of the house and completion of the contract signing, deliver the key of the house and the materials provided by party a to party b.

3.Agreement on registration of property rights

The house is transferred as the current situation, and the housing price obtained by party a is net. Upon party b's actual receipt of the premises, party a shall provide party b with the keys, existing relevant procedures and materials, etc. Party b shall bear all legal responsibilities and all costs arising from the subsequent property transfer procedures and other procedures. Party a shall assist party b to handle the formalities, but shall not bear the responsibilities related to the transfer and other procedures. At the same time, party b shall not require party a to return the house payment on the ground that it is unable to handle relevant procedures and complete the transfer.

V.Other arrangement involving the sale of assets

The asset sale does not involve personnel resettlement, land leasing, related transactions, inter-bank competition and other follow-up arrangements.

VI.The purpose of the acquisition of assets and their impact on the company

The purpose of the proposed asset sale is to clean up and revitalize the company's assets. The assets to be sold will be publicly traded and the transaction price and earnings cannot be accurately calculated at present. It is estimated that about 4 million yuan will be sold. All of the current profit and loss will be

affected, and the specific amount will not be confirmed until the payment is received and related expenses are deducted. The purpose of the proposed asset sale is to clean up and revitalize the company's assets. The assets to be sold will be publicly traded and the transaction price and earnings cannot be accurately calculated at present. It is estimated that about 4 million yuan will be sold. All of the current profit and loss will be affected, and the specific amount will not be confirmed until the payment is received and related expenses are deducted.

VII. The documents for future reference

1. The announcement of Resolution of the 2018 1st Board Session
2. The opinion of independent director.
3. The first interim board of supervisors meeting of wafangdian bearing co., LTD in 2018.

Board of director of Wafangdian bearing
Company limited
Sept 17. 2018