

Stock ID:Wazhou B

Stock code: 200706

Announcement No.2018-21

## Wafangdian Bearing Company Limited

### 2018 Midyear Report Abstract

#### 1. Important Notes

(1) This abstract was derived from the annual report, the annual report issued on the Shenzhen Stock Exchange web or other web appointed by and CSRC; details please refer to the whole Midyear report.

The board of directors, board of supervisors, directors, supervisors and the top management guarantee there is no false record, misleading statement or major omission in the report, and take responsibilities for the truth, accuracy and completeness of the contents.

Besides the following directors, all the other directors attended the Board meeting and discussed the report.

Name	Post	Reasons	Assignee name
Sun Maolin	Director	Busy work	Zhang Xinghai
Chen Jiajun	Director	Busy work	Zhang Xinghai

#### Reminder of the qualified auditor's opinions

Inapplicable

#### Preplan of Profit Distribution for Preferred Shares in the Reporting Period Approved by the Resolution of the Board Meeting

Inapplicable

#### Preplan of Profit Distribution for Preferred Shares in the Reporting Period Approved by the Resolution of the Board Meeting

Inapplicable

#### 2. Main accounting date and shareholder change

##### (1) Brief Information of the listed company

Abbreviated name of the stock	Wazhou B	Stock code:	200706
Listing location of the Company's stock:	Shenzhen Stock Exchange		
Contacts	Secretary of the Board	Representative of Stock Affairs	
Name	Sun Najuan	Ke Xin	
Consulting telephone	0411-39116369	0411-39116732	
Fax	0411-39116738	0411-39116738	
E-mail	zwz2308@126.com	zwz2308@126.com	

##### (2) Main accounting data

	current period	previous period	+/- (%) comparing with the previous

			period
Operating income	1,074,867,981.68	1,135,500,575.33	-5.34%
Net profit available for shareholders of listing company	3,313,980.12	2,633,635.55	25.83%
Net profit available for shareholders of listing company with abnormal incomes deducted	-1,544,284.08	-1,562,254.31	-1.15%
Net cash flows from operation activities	44,206,595.23	-76,606,258.56	-157.71%
Basic gains on per share	0.008	0.007	14.29%
Diluted gains on per share	0.008	0.007	14.29%
Net returns on assets (%)	0.24%	0.19%	0.05%
	2018.06.30	2017.12.31	+/- (%) comparing with the end of last year
Total assets	3,213,612,720.94	3,213,772,171.61	0.00%
Owners' equity (shareholders' equity)	1,388,808,854.83	1,385,494,874.71	0.24%

### (3) Information on the top 10 shareholders

Total number of shareholder at the end of report period		6,622		Total number of shareholder at the end of report period with preferred stock		0			
Shareholders with 5% or above Shares									
Name	Nature	Ratio (%)	Total shares held	Increase or Decrease in hereportperiod	Non-current shares held	Current shares held	Impawned or Frozen Shares		
							Status	Amount	
Wafangdian Bearing Group Corporation	State-owned shareholder	60.61%	244,000,000		244,000,000				
AKTIEBOLAGET SKF	Foreign shareholder	19.70%	79,300,000						
Huang Junyue	Domestic shareholder	1.52%	6,108,058						
BOCI SECURITIES LIMITED	Foreign shareholder	1.46%	5,876,753						
Hu Xiaofeng	Domestic shareholder	0.47%	1,879,277						
GUOTAI JUNAN SECURITIES(HONG KONG) LIMITED	Foreign shareholder	0.35%	1,427,606						
Jin Yunhua	Domestic shareholder	0.33%	1,311,256						
Merchants Securities Limited Hong Kong Company	State-owned shareholder	0.22%	886,101						
Chen Haitao	Domestic shareholder	0.19%	750,896						
MAN, KWAI WING 文贵荣	Foreign private shareholder	0.18%	713,101						
Explanation for the Affiliated Relations or United Action of the Top Ten Shareholders	AKTIEBOLAGET SK is the strategic investor								
Notes to relationship or "action in concert" among the top ten shareholders.	There was no relationship and consistent activities between the first big shareholder and other shareholders or the top ten common stock holders;								

**(4) Changes of the holding shareholders and the actual controller**

Changes of the holding shareholders

applicable    Not applicable

Changes of the holding shareholders and the actual controller

applicable    Not applicable

**(5) Total Preference Shareholders and the Shares Held by the Top 10 Preference Shareholders**

Inapplicable

**(6)Company Bound**

Inapplicable

**3.Discussion and analysis**

**(1)Relevant items involved operation**

In the first half of 2018, the company adhered to the "four advantages" operating principle.Focusing on customers, improving product quality and service quality, focusing on internal management and external market, overcoming negative cost factors such as raw material cost and staff salary increase, and maintaining the sustainable and healthy development of the company.

At the end of June 30, company's total assets is 3.21364 billion Yuan, which decrease0.01% compared with the beginning of this year; Net assess attributing to shareholders of listed company 1.38880 billion Yuan, increased by 0.24% compared with the beginning of this year; Operating income is 1.07486 billion Yuan, decrease by 5.34% compared with the same period last year; Net profit of attributing to shareholders of the parent company is 3.31 million Yuan, increase by 25.83% compared with the same period last year;

**(2).Relevant items involved financial report**

**(i) The explanation of the changes in accounting policies, accounting estimation and calculation method comparing with the latest annual report**

applicable    Not applicable

**(ii) The content of significant errors, the changed amount, the reason and the effect**

applicable    Not applicable

**(iii) The explanation of the changes in the consolidated scope comparing with the latest annual report**

applicable    Not applicable