

## **Wafangdian Bearing Company Limited Second Indicative Announcement Regarding the Takeover Offer by Wafangdian Bearing Group Co., Ltd. for the Company's Shares**

**The Company and all members of the BOD guarantee that the information disclosed is true, accurate and completed, and that there are no false records, misleading statements or material omissions.**

### **Special Note:**

1.This announcement is the Second Indicative Announcement concerning the takeover offer by Wafangdian Bearing Group Co., Ltd. (hereinafter referred to as "Wazhou Group" or the "Acquirer") for the shares of Wafangdian Bearing Co., Ltd. (hereinafter referred to as the "Listed Company," the "Company," or "Wazhou B").

2.The code for pre-acceptance of this takeover offer is 990087, and the offer price is HKD 2.86 per share.

3.The duration of this takeover offer is 39 calendar days, specifically from January 20, 2026, to February 27, 2026; unless a competing offer arises. According to the procedures for this takeover offer, shareholders who have pre-accepted the offer may withdraw their acceptance on the day it is submitted during the last three trading days of the offer period (i.e., February 25, 2026; February 26, 2026; and February 27, 2026). However, acceptances that have already been placed under temporary custody by China Securities Depository and Clearing Corporation Limited Shenzhen Branch cannot be withdrawn.

4.The acquirer in this takeover offer is Wazhou Group. Wazhou Group currently holds 244 million non-tradable domestic shares of Wazhou B, representing a 60.61% equity stake. It intends to initiate a general offer to all shareholders holding unrestricted tradable shares for the purpose of terminating the listed status of Wazhou B. The number of shares to be acquired under the offer is 158,600,000 shares, accounting for 39.39% of Wazhou B's total share capital.

The Company publicly disclosed the "Takeover Offer Report of Wafangdian Bearing Co., Ltd." issued by Wazhou Group on January 19, 2026. For details, please refer to the Juchao Information Network ( <http://www.cninfo.com.cn> ). In accordance with the relevant provisions of the "Administrative Measures for the Acquisition of Listed Companies," the acquirer is required to publish at least three indicative announcements regarding this takeover offer within 30 days following the disclosure of the "Takeover Offer Report." The relevant details of this takeover offer are hereby indicated as follows:

## **I. Basic Information of the Takeover Offer**

1. Name of the Acquirer: Wafangdian Bearing Group Co., Ltd.
2. Name of the Target Company: Wafangdian Bearing Co., Ltd.
3. Stock Name of the Target Company: Wazhou B
4. Stock Code of the Target Company: 200706
5. Type of Shares Subject to the Offer: Foreign Invested Shares Listed in China (B Shares)
6. Payment Method: Cash Payment
7. Takeover Offer Price: HKD 2.86 per share

## **II. Purpose of the Takeover Offer**

In recent years, due to impacts from the global economic recession and economic structural adjustments, Wazhou B has suffered consecutive annual losses, with its operating conditions progressively deteriorating. Since the beginning of 2025, compounded by multiple adverse factors, the company's operations have faced further restrictions, and its future financial risks have continued to escalate. If this trend persists, the company's operational risks are bound to intensify. Considering all factors, Wazhou Group, as the controlling shareholder of Wazhou B, aims to comprehensively safeguard the interests of Wazhou B's shareholders and demonstrate the responsibility of a state-owned enterprise. To this end, Wazhou Group plans to initiate a general takeover offer to all shareholders holding unrestricted tradable shares for the purpose of terminating the listed status of Wazhou B. Following the delisting, the acquirer may, in accordance with the law, adopt lawful and effective measures that could potentially eliminate the independent legal entity status of Wazhou B. Relevant subsequent arrangements will be announced separately after the delisting of Wazhou B, based on the actual circumstances of the company. Investors are advised to pay attention to investment risks.

## **III. Conditions for the Effectiveness of the Takeover Offer**

This tender offer is subject to the condition that the share distribution of Wazhou B meets the delisting criteria. If at the end of this comprehensive tender offer, the number of publicly traded shares of Wazhou B that accept the offer exceeds 39,050,000 shares, and the proportion of publicly traded shares of Wazhou B in the total share capital after the acquisition is lower than 10%, then this tender offer will be effective. If at the end of this comprehensive tender offer, the number of publicly traded shares of Wazhou B that accept the offer is less than 39,050,000 shares, and the proportion of publicly traded shares of Wazhou B in the total share capital remains higher than 10%, then this comprehensive tender offer will be invalid from the beginning, the original pre-acceptance declaration

will no longer be valid, and China Securities Depository and Clearing Corporation Shenzhen will automatically release the corresponding shares from temporary custody.

#### IV. Details of the Shares Subject to This takeover Offer

According to Article 26 of the "Administrative Measures for the Acquisition of Listed Companies", The shares subject to this takeover Offer are the Wazhou B shares held by shareholders other than the acquirer. The quantity of shares under the offer is as follows:

Types of shares	Offer price	Quantity of takeover Offer (shares)	The proportion of the total share capital
Unrestricted tradable shares (B shares)	2.86 Hong Kong dollar/share	158,600,000	39.39%

In accordance with relevant regulations such as the Securities Law and the Acquisition Measures, the offer price for this takeover Offer and its calculation basis are as follows: The arithmetic average of Wazhou B's daily volume-weighted average prices over the 30 trading days prior to the announcement date of the summary of this takeover Offer report is 2.8436 Hong Kong dollars per share. During the six months preceding the announcement date of the summary of this takeover Offer report, the acquirer did not engage in any trading of Wazhou B's shares. After comprehensive consideration, The closing price on the day prior to the announcement date of the summary of this takeover offer report was HKD 2.86 per share.the acquirer has determined the offer price to be 2.86 Hong Kong dollars per share.

If Wazhou B undertakes any corporate actions such as dividend distributions, bonus share issues, or capital reserve conversions into share capital (events involving ex-rights or ex-dividends) between the announcement date of the summary of this takeover Offer report and the expiration date of the takeover Offer period, the offer price will be adjusted accordingly.

#### V. Duration of the takeover Offer

The term of this tender offer is 39 calendar days, from January 20, 2026 to February 27, 2026, except in cases where competing offers are made.

Three trading days prior to the expiration of this tender offer, pre-accepting shareholders can entrust securities companies to handle the procedures for withdrawing their pre-acceptance of the offer. The China Securities Depository and Clearing Corporation (Shenzhen) will release the pre-accepted shares from temporary custody upon the withdrawal application of the pre-accepting shareholders. During the last three trading days before the expiration of this tender offer, pre-accepting shareholders can withdraw the pre-accepted offers they have submitted on the current day, but they cannot withdraw the pre-accepted offers that have been temporarily held by the China Securities Depository and Clearing Corporation (Shenzhen).

During the term of this tender offer, investors can query on the Shenzhen Stock Exchange website (<http://www.szse.cn/>) the number of pre-accepted shares as of the previous trading day and the number of withdrawn pre-accepted shares.

## **VI. Methods and Procedures for Shareholders' Pre-acceptance of the Offer**

1. Reporting Code: 990087

2. Reporting Price: HKD 2.86 per share

3. Quantity limit for declaration

The upper limit for the number of shares that shareholders can declare for the pre-acceptance offer is the number of shares held in their shareholder accounts that are not subject to pledge, judicial freezing, or other restrictions. Any excess amount is invalid. Shares that are pledged, judicially frozen, or subject to other restrictions cannot be declared for the pre-acceptance offer.

4. Application for Pre-acceptance Offer

If a shareholder of Wazhou B applies for the pre-acceptance offer, they must complete the relevant procedures for the pre-acceptance offer of the shares in this offer during each trading day within the offer period, through the business department of the securities company that holds their shares. The business department of the securities company will handle the relevant declaration procedures through the trading system of the Shenzhen Stock Exchange. The content of the declaration instruction should include: stock code, member seat number, securities account number, contract number, pre-accepted quantity, acquisition code. During the offer period (including the period of stock suspension), shareholders of Wazhou B can handle the relevant pre-acceptance declaration procedures. The pre-acceptance declaration can be revoked on the same day.

5. Sale of Pre-accepted Shares

Shares that have been declared for pre-acceptance can be sold on the same day. Unexecuted parts of the selling declaration will still be included in the pre-accepted declaration. Shares that have been declared for pre-acceptance should not be re-sold, and shares that have been sold should not be re-declared for pre-acceptance. Otherwise, it will cause the sold shares to be short-sold on the settlement date. Shareholders of tradable shares should handle the non-trading commission declaration on the same day for the same batch of shares in the same transaction, and the processing sequence is: pledge, pre-acceptance, transfer registration.

6. Confirmation of Pre-accepted Shares

The confirmation of pre-accepted shares or the withdrawal of pre-accepted share declaration will take effect on the next trading day after confirmation by China Securities Depository and Clearing Corporation Shenzhen. China Securities Depository and Clearing Corporation Shenzhen will temporarily keep the confirmed pre-accepted shares. The confirmed pre-accepted shares shall not be

transferred, transferred for registration, or pledged.

#### 7. Amendment of the Offer

During the offer period, if the offer is amended, the original pre-accepted declaration will no longer be valid. China Securities Depository and Clearing Corporation Shenzhen will automatically release the temporary custody of the corresponding shares; shareholders who accept the amended offer must re-declare.

#### 8. Competitive Offer

When a competitive offer occurs, pre-accepted shareholders of the initial offer should withdraw the original pre-accepted offer before re-accepting the competitive offer for the initial offer shares.

#### 9. Judicial Freeze

If the pre-accepted shares are judicially frozen during the offer period, the securities company will withdraw the pre-accepted declaration of the corresponding shares through the Shenzhen Stock Exchange trading system before assisting in the execution of the share freeze.

#### 10. Announcement of Pre-accepted Share Situation

On the trading day before each trading day during the offer period, the offeror will announce the relevant situation of the pre-accepted shares of the previous trading day on the Shenzhen Stock Exchange website.

#### 11. Handling of Remaining Shares

The remaining shares purchased by the offeror from each shareholder who has declared for pre-acceptance that are less than one share will be handled in accordance with the procedures for fractional shares in the distribution of rights and interests of China Securities Depository and Clearing Corporation Shenzhen.

#### 12. Transfer of Offered Shares

After the expiration of the offer period and the effectiveness of the offer, the offeror will deposit the amount of the offer funds, excluding the performance guarantee deposit, in full into its settlement reserve account at China Securities Depository and Clearing Corporation Shenzhen, and then apply to the settlement business department of China Securities Depository and Clearing Corporation Shenzhen to transfer the funds from its settlement reserve account to the securities fund settlement account of the offer.

#### 13. Transfer of Pre-accepted Shares

After the expiration of the offer period and the effectiveness of the offer, the offeror will apply to the Shenzhen Stock Exchange for the transfer procedures of the pre-accepted shares and provide relevant materials. The legal department of the Shenzhen Stock Exchange will complete the confirmation procedures for the transfer of the pre-accepted shares, and the offeror will, with the confirmation letter of the transfer of pre-accepted shares issued by the Shenzhen Stock Exchange, go to China Securities Depository and Clearing Corporation Shenzhen to handle the share transfer

procedures.

#### 14. Announcement of Offer Results

After the transfer procedures for the pre-accepted shares are completed, the offeror will promptly submit and disclose the report on the acquisition of the listed company and the results announcement to the Shenzhen Stock Exchange.

### **VII. Methods and Procedures for Shareholders to Withdraw Their Pre-acceptance Offers**

#### 1. Withdrawal of Pre-accepted Offer

If the pre-accepted share application is withdrawn, the relevant procedures for declaration shall be carried out through the trading system of the Shenzhen Stock Exchange within the trading hours of each trading day during the validity period of the acquisition offer. The content of the declaration instruction shall include: stock code, member seat number, securities account number, contract number, withdrawal quantity, acquisition code. The withdrawal of the pre-accepted offer declaration can be revoked on the same day.

#### 2. Announcement of Withdrawal of Pre-accepted Offer Situation

On the trading day before each trading day during the offer period, the acquirer will announce on the Shenzhen Stock Exchange website the relevant situation of the withdrawal of the pre-accepted offer of the previous trading day.

#### 3. Confirmation of Withdrawal of Pre-accepted Offer

The withdrawal of the pre-accepted offer declaration becomes effective on the next trading day after being confirmed by the China Securities Depository and Clearing Corporation Shenzhen. The temporary custody of the withdrawn pre-accepted offer shares is released by China Securities Depository and Clearing Corporation Shenzhen.

Three trading days before the expiration of the tender offer, the pre-accepted shareholders can entrust a securities company to handle the procedures for withdrawing the pre-accepted offer. China Securities Depository and Clearing Corporation Shenzhen will release the temporary custody of the pre-accepted offer stocks based on the withdrawal application of the pre-accepted offer shareholders. Within three trading days before the expiration of the tender offer, the pre-accepted shareholders can withdraw the pre-accepted offer declared on the same day, but they cannot withdraw the pre-accepted offer that has been temporarily held by China Securities Depository and Clearing Corporation Shenzhen.

4. When there is a competing offer, pre-accepted offer shareholders shall withdraw the pre-accepted offer shares for the initial offer before making a further pre-acceptance of the pre-accepted offer.

5. When the tradable shares of the pre-accepted offer are pledged, subject to judicial freezing or

subject to other rights restrictions during the tender offer period, the securities company shall withdraw the pre-accepted offer declaration of the corresponding shares through the trading system of the Shenzhen Stock Exchange before assisting in the execution of the setting of other rights on the shares.

### **VIII. Pre-acceptance of Offer**

After Authorized to the Shenzhen Stock Exchange, As of February 11, 2026, the total number of pre-accepted shares was 15,030,921, representing a pre-acceptance ratio of 9.477%.

**Hereby notify**

**Board of directors of  
Wafangdian bearing Company limited  
12 February 2026**