

Stock code: 000706

Stock ID: Wazhou B

No.2022-32

Wafangdian Bearing Company Limited

The Third Quarterly Report for 2022

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)	559,879,991.79	-12.73%	1,645,697,096.71	-4.47%
Net profit attributable to shareholders of the listed company (Yuan)	-24,070,073.10	185.59%	-61,525,852.10	1,352.41%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (Yuan)	-28,439,011.58	130.06%	-77,117,513.59	593.95%
Net cash flow from operating activities (Yuan)	—	—	-11,227,171.77	103.41%
Basic earnings per share (Yuan/share)	-0.0598	185.59%	-0.1528	1,428.00%
Diluted earnings per share (Yuan/share)	-0.0598	185.59%	-0.1528	1,428.00%
Weighted average return on equity	-4.30%	-3.26%	-10.64%	-10.12%
	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)	3,386,588,236.43	3,220,126,105.01	5.17%	
Owner's equity attributable to shareholders of the listed company (Yuan)	547,894,870.12	608,267,282.47	-9.93%	

(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)	113,471.25	2,036,288.75	
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)	1,497,747.11	5,517,783.13	
Debt restructuring gains and losses	3,163,974.55	6,987,004.81	
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	-52,388.95	-80,124.28	
Other non-operating income and expenses other than those described above	435,898.19	3,914,101.82	
Less: Income tax impact	789,763.67	2,783,392.74	
A combined	4,368,938.48	15,591,661.49	--

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

number	project	The final number	Ending balance	The amount increased or decreased	The ratio of increase or decrease	Explanation of reason for change
1	Other Accounts Receivable	13,929,532.64	9,531,860.12	4,397,672.52	46.1%	The bid bond has increased from the beginning of the year
2	Other current assets	14,201,960.82	5,627,951.08	8,574,009.74	152.3%	The input tax to be certified increases from the beginning of the period
3	Projects under construction	88,036,505.46	25,929,699.29	62,106,806.17	239.5%	Mainly to increase investment in equipment
4	Staff remuneration payable	18,618,653.92	54,396,857.78	-35,778,203.86	-65.8%	Accrued performance pay is down from the beginning of the year
number	project	This year the cumulative	In the same period last year	The amount increased or decreased	The ratio of increase or decrease	Explanation of reason for change
5	Return on investment	6,987,004.81	965,004.59	6,022,000.22	624.0%	Mainly debt restructuring gains compared with the same period last year
6	Non-operating income	4,033,301.85	1,176,749.45	2,856,552.40	242.7%	Revenue from fines increased in the current period compared with the same period
7	Non-operating expenses	117,677.25	962,855.06	-845,177.81	-87.8%	Mainly the same period last year scrapped assets generated losses
8	Payment of other cash in connection with financing activities	152,602,005.97	75,500,000.00	77,102,005.97	102.1%	There is an increase in the discount amount of bills repaid in the current period
9	Effect of exchange rate changes on cash and cash equivalents	2,437,173.58	-757,984.06	3,195,157.64	-	Subject to exchange rate movements

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		5,475	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	1.99%	7,992,391			
Huang Junyue	Domestic natural person	1.77%	7,132,068			
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%	1,038,511			
Meng Qingliang	Domestic natural person	0.24%	966,048			
Jin Yunhua	Domestic natural person	0.18%	728,000			
MAN,KWAI WING 文贵荣	Foreign natural person	0.18%	713,101			
Shareholding of the top 10 shareholders of tradable shares						
Shareholders' name	Number of listed shares held	Type of shares				
		Type	Amount			
AKTIEBOLAG ET SKF	79,300,000	B	79,300,000			
China Merchants Securities Hong Kong Co., Limited	7,992,391	B	7,992,391			
Huang Junyue	7,132,068	B	7,132,068			
Hu Xiaofeng	1,879,277	B	1,879,277			
BOCI SECURITIES LIMITED	1,310,000	B	1,310,000			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,038,511	B	1,038,511			
Meng Qingliang	966,048	B	966,048			
Jin Yunhua	728,000	B	728,000			
MAN,KWAI WING 文贵荣	713,101	B	713,101			
Jiang Guangsen	687,900	B	687,900			
Explanation on associated relationship among the aforesaid shareholders	Among the top 10 shareholders of the company, there is no association or consistent action between the largest shareholder and other shareholders or top 10 shareholders of tradable shares, and it is unknown whether there is any association or consistent action between other shareholders, top 10 shareholders of tradable shares or top 10 shareholders of tradable shares and other shareholders.					

(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, 2022

Unit: Yuan

project	September 30, 2022	December 31, 2021
Current Assets:		
Monetary fund	226,935,389.14	286,476,701.69
Provision for settlement		
Lending money,		
Trading financial assets	241,913.65	322,037.93
Derivative financial assets		
Notes receivable	532,789,744.94	507,971,133.69
Accounts receivable	1,032,619,450.48	999,454,308.40
Financing of receivables	57,908,452.75	28,115,340.20
prepayments	68,749,503.23	46,305,700.50
Premiums receivable		
Reinsurance accounts receivable		
Reserves for reinsurance contracts receivable		
Other Accounts Receivable	13,929,532.64	9,531,860.12
Among them: interest receivable		
Dividends receivable		
Buy financial assets for resale		
inventory	800,790,633.15	710,611,964.20
Contract assets	6,238,501.94	3,763,781.55
Holding assets for sale		
Non-current assets due within one year		
Other current assets	14,201,960.82	5,627,951.08
Total current assets	2,754,405,082.74	2,598,180,779.36
Non-current assets:		
Make loans and advances		
Creditor's rights investment		
Other creditor's rights investment		
Long term receivables		
Long-term equity investment		
Investment in other equity instruments	11,926,856.64	11,926,856.64
Other non-current financial assets		
Investment real estate	65,893,503.25	68,862,311.38
Fixed assets	392,110,194.98	438,220,714.18
Projects under construction	88,036,505.46	25,929,699.29
Productive biological asset		
Oil and gas assets		
Assets for use		
Intangible assets	74,097,450.42	76,812,955.92
The development of spending		
goodwill		
Long-term deferred expenses	118,642.94	192,788.24
Deferred tax assets		
Other non-current assets		
Total non-current assets	632,183,153.69	621,945,325.65
Total assets	3,386,588,236.43	3,220,126,105.01
Current liabilities:		

Short-term borrowing	698,000,000.00	677,000,000.00
Borrow from the central bank		
Funds borrowed from		
Trading financial liabilities		
Derivative financial liability		
Notes payable	379,761,134.46	306,258,189.60
Accounts payable	1,386,067,196.33	1,248,850,328.84
Advance payment		
Contract liability	46,584,089.61	38,426,632.29
Sell to repurchase financial assets		
Absorb deposits and interbank deposits		
Agent buying and selling securities		
Acting underwriting securities		
Staff remuneration payable	18,618,653.92	54,396,857.78
Payable taxes	20,510,027.80	11,585,889.46
Other payables	188,624,265.28	173,782,184.85
Among them: interest payable		
Dividends payable		
Charges and commissions payable		
Reinsurance accounts payable		
Holding liabilities for sale		
Non-current liabilities due within one year		
Other current liabilities	3,087,321.12	4,995,462.19
Total current liabilities	2,741,252,688.52	2,515,295,545.01
Non-current Liabilities:		
Insurance contract reserve		
Long-term borrowing		
Bonds payable		
Among them: Preferred stock		
Sustainable debt		
Lease liability		
Long term payables	344,974.84	344,974.84
Long-term employee compensation payable		
Estimated debts	45,847,622.92	41,401,450.14
Deferred revenue	50,564,843.58	54,133,616.10
Deferred tax liability	683,236.45	683,236.45
Other non-current liabilities		
Total non-current liabilities	97,440,677.79	96,563,277.53
Total liabilities	2,838,693,366.31	2,611,858,822.54
Owner's equity:		
equity	402,600,000.00	402,600,000.00
Other equity instruments		
Among them: Preferred stock		
Sustainable debt		
Capital reserves	485,691,050.47	485,691,050.47
Minus: Treasury stock		
Other comprehensive income		
The special reserve	1,153,439.75	
Surplus reserves	136,770,391.01	136,770,391.01
General risk provision		
Undistributed profit	-478,320,011.11	-416,794,159.01
Total owner's equity attributable to parent company	547,894,870.12	608,267,282.47
Minority shareholders' equity		
Total owners' equity	547,894,870.12	608,267,282.47
Total liabilities and equity	3,386,588,236.43	3,220,126,105.01

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

Person in charge of accounting institute: Zhang Yajing

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

Unit: Yuan

Item	Current period	Last period
I. Total operating income	1,645,697,096.71	1,722,635,449.83
Among them: operating income	1,645,697,096.71	1,722,635,449.83
Interest income		
The premium has been made		
Fee and commission income		
2. Total operating cost	1,726,828,943.14	1,735,766,473.63
Among them: operating cost	1,371,021,327.42	1,359,948,135.80
The interest payments		
Fees and commission expenses		
Surrender gold		
Net payout for claims		
Draw the net insurance liability reserve		
Policy bonus payout		
Reinsurance expenses		
Taxes and surcharges	9,099,454.53	11,278,021.34
Cost of sales	100,829,015.84	104,332,385.17
Management fees	79,151,190.94	73,784,856.78
Research and development costs	143,194,245.14	157,697,555.28
Finance charges	23,533,709.27	28,725,519.26
Among them: interest expense	22,994,933.14	21,414,324.63
Interest income	878,156.32	294,592.53
Plus: other benefits	5,517,783.13	5,080,579.21
Investment income (loss marked with "-")	6,987,004.81	965,004.59
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)	-80,124.28	161,789.39
Credit impairment loss (marked with "-")	1,230,940.10	30,000.00
Asset impairment loss (marked with "-")	0.00	1,329.79
Gain on disposal of assets (loss marked with "-")	2,034,765.97	2,442,295.42
3. Operating profit (loss marked with "-")	-65,441,476.70	-4,450,025.40
Plus: non-operating income	4,033,301.85	1,176,749.45
Less: non-operating expenses	117,677.25	962,855.06
Iv. Total profit (total loss marked with "-")	-61,525,852.10	-4,236,131.01
Less: Income tax expense		
V. Net profit (Net loss marked with "-")	-61,525,852.10	-4,236,131.01
(a) classification according to business continuity		
1. Net profit from continuing operations (net loss marked with "-")	-61,525,852.10	-4,236,131.01
2. Net profit from terminated operations (net loss marked with "-")		
(2) Classification according to ownership		
1. Net profit attributable to shareholders of the	-61,525,852.10	-4,236,131.01

parent company (net loss marked with "-")		
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	-61,525,852.10	-4,236,131.01
(1) Total comprehensive income attributable to the owner of the parent company	-61,525,852.10	-4,236,131.01
(2) Total comprehensive income attributable to minority shareholders		
8. Earnings per Share		
(1) Basic earnings per share	-0.1528	-0.0105
(2) Diluted earnings per share	-0.1528	-0.0105

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

Person in charge of accounting institute: Zhang Yajing

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	887,392,663.32	856,242,985.96
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	20,290,372.99	17,508,213.30
Other cash received concerning operating activities	52,246,684.48	65,957,997.31
Subtotal of cash inflow arising from operating activities	959,929,720.79	939,709,196.57
Cash paid for purchasing commodities and receiving labor service	551,349,708.47	527,343,266.72
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	291,086,051.72	277,417,352.15
Taxes paid	33,525,249.94	43,545,739.85
Other cash paid concerning operating activities	95,195,882.43	96,922,442.60
Subtotal of cash outflow arising from operating activities	971,156,892.56	945,228,801.32
Net cash flows arising from operating activities	-11,227,171.77	-5,519,604.75
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income	23,851.89	18,821.12
Net cash received from disposal of fixed, intangible and other long-term assets	1,691,310.00	2,108,032.16
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	1,715,161.89	2,126,853.28
Cash paid for purchasing fixed, intangible and other long-term assets	10,900,149.06	1,181,706.32
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	10,900,149.06	1,181,706.32
Net cash flows arising from investing activities	-9,184,987.17	945,146.96
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	748,000,000.00	617,000,000.00
Other cash received concerning financing activities	103,197,142.45	82,895,652.78
Subtotal of cash inflow from financing activities	851,197,142.45	699,895,652.78
Cash paid for settling debts	727,000,000.00	610,093,645.83
Cash paid for dividend and profit distributing or interest paying	23,173,191.73	22,230,442.85
Including: Dividend and profit of minority shareholder paid by subsidiaries		

Other cash paid concerning financing activities	152,602,005.97	75,500,000.00
Subtotal of cash outflow from financing activities	902,775,197.70	707,824,088.68
Net cash flows arising from financing activities	-51,578,055.25	-7,928,435.90
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	2,437,173.58	-757,984.06
V. Net increase of cash and cash equivalents	-69,553,040.61	-13,260,877.75
Add: Balance of cash and cash equivalents at the period-begin	209,847,896.42	127,620,944.91
VI. Balance of cash and cash equivalents at the period-end	140,294,855.81	114,360,067.16

(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