

## **Wafangdian Bearing Company Limited**

### **Announcement on the Receipt of the Summary of the Takeover Offer Report and the Resumption of Trading.**

**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. Wafangdian Bearing Company Limited (hereinafter referred to as the "Company", Wazhou B) (Stock abbreviation: Wazhou B, Stock code: 200706) Trading of the shares will resume from the market opening on Thursday, December 18, 2025.

2. The Company received the "Summary of the Takeover Offer Report of Wafangdian Bearing Co., LTD." (hereinafter referred to as the "Summary of the Takeover Offer Report") issued regarding this takeover offer from Wafangdian Bearing Group Co., LTD (hereinafter referred to as "Wazhou Group") on December 17, 2025. The specific details are now announced as follows:

(1) The entity undertaking this tender offer is Wazhou Group. The Group has initiated a comprehensive tender offer aimed at terminating the listing status of Wazhou B.

(2) This takeover Offer is a full offer made to all shareholders of Wazhou B other than Wazhou Group. The number of shares subject to the takeover Offer is 158,600,000 shares, accounting for 39.39% of the total shares of the listed company. The offer price is 2.86 Hong Kong dollars per share.

#### **I. Trading Suspension Matter**

Due to the controlling shareholder Wazhou Group's plan to arrange a comprehensive takeover Offer, and in order to ensure fair information disclosure, avoid abnormal fluctuations in the company's stock price, and protect the interests of investors, in accordance with the relevant provisions of the Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 6 — Trading Suspension and Resumption, the company applied to the Shenzhen Stock Exchange. Consequently, the company's stock (Stock abbreviation: Wazhou B, Stock code: 200706) was suspended from

trading starting from the market opening on Tuesday, December 16, 2025. For specific details, please refer to the "Announcement Regarding Trading Suspension Due to Controlling Shareholder's Planning of a Takeover Offer. " (Announcement No.: 2025-036) released by the company on Juchao Information Network (<http://www.cninfo.com.cn>) and Securities Times on December 16, 2025.

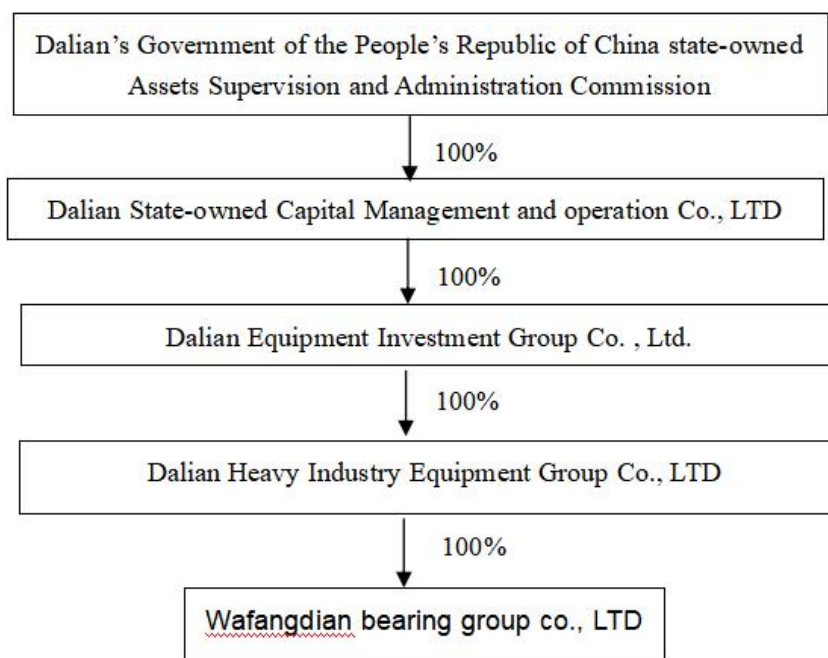
## II. Overview of the Summary of the takeover Offer Report

### 1. Basic Information of the Acquirer

Name of the acquirer	Wafangdian Bearing Group Co., LTD
Registered address	No. 1, Section 1, North Gongji Street, Wafangdian City, Liaoning Province
Main office location	No. 1, Section 1, North Gongji Street, Wafangdian City, Liaoning Province
Legal representative	Meng Wei
Registered capital	519,869,400 yuan
Unified social credit code	91210200242386663D
Business term	from 1995-12-22 to 2045-12-22
Company type	Limited liability company
Postal Code	116300
Contact number	0411-62198238
Business scope	Import and export of goods, import and export of technology (Projects subject to approval in accordance with the law can only be carried out after approval by relevant departments. The specific business items are subject to the approval results) General items: Manufacturing of bearings, gears and transmission components, sales of bearings, gears and transmission components, manufacturing of metal tools, sales of metal tools, manufacturing of special equipment (excluding manufacturing of licensed professional equipment), research and development of mechanical equipment, sales of mechanical equipment, manufacturing of non-metallic mineral products, sales of non-metallic minerals and products, casting of ferrous metals, casting of non-ferrous metals, manufacturing of automotive parts and accessories Retail of auto parts, wholesale of auto parts, manufacturing of railway locomotive and rolling stock parts, sales of railway locomotive and rolling stock parts, industrial design services, repair of general equipment, technical services, technical development, technical consultation, technical exchange, technical transfer and technical promotion, sales of metal materials, housing rental, non-residential

	real estate rental, mechanical equipment rental.
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As of the date of signing the "Summary of the takeover Offer Report", the equity control relationship of the acquirer is as shown in the figure:



## 2. Purpose of the takeover Offer

In recent years, impacted by factors such as the global economic recession and structural adjustments, Wazhou B has incurred consecutive annual losses, and its operational conditions have continued to deteriorate. Since the beginning of this year, the compounding effects of multiple adverse factors have further constrained the company's operations, while its financial risks are expected to increase steadily. Should this situation persist, the company's operational risks are bound to intensify. Taking all these factors into consideration, Wafangdian Bearing Group, as the controlling shareholder of Wazhou B, has decided to initiate a comprehensive tender offer to all circulating shareholders with the objective of terminating the listing status of Wazhou B. This move aims to fully protect the interests of Wazhou B's shareholders and reflect the responsibility and commitment of a state-owned enterprise.

## 3. Decision-Making and Approval Procedures Completed for This Transaction

On November 17, 2025, the Wazhou Group Party Committee decided to initiate the voluntary delisting process for Wazhou B, which was submitted to Dalian SASAC(State-owned Assets Supervision and Administration Commission of Dalian Municipal People's Government) by Dalian Heavy Industry Equipment Group Co., LTD and received approval on November 25. On December 16, 2025, the Wazhou Group Board of Directors reviewed and passed the resolution to approve the

launch of this takeover Offer, authorizing the Chairman to sign the Summary of the takeover Offer Report.

#### **4. Whether the Acquirer Plans to Further Increase Its Holdings in the Listed Company's Shares Within the Next Twelve Months**

As of the date of signing this report, apart from this takeover Offer and the plan to acquire the remaining shares from shareholders intending to sell, the acquirer currently has no plans to further increase its holdings in the listed company's shares within the next 12 months. Should any relevant changes in equity occur in the future, the acquirer will strictly comply with relevant regulations to fulfill its information disclosure obligations.

#### **5. Conditions for the Effectiveness of the takeover Offer**

This takeover Offer is conditioned on Wazhou B's equity distribution meeting the Shenzhen Stock Exchange delisting requirements. If, upon the expiration of this general takeover Offer, the number of Wazhou B's publicly held shares tendered exceeds 39,050,000 shares—meaning that the proportion of Wazhou B's publicly held shares to its total share capital falls below 10% after the acquisition—then this takeover Offer will become effective. Conversely, if, upon expiration, the number of Wazhou B's publicly held shares tendered is less than 39,050,000 shares—meaning the proportion of Wazhou B's publicly held shares to its total share capital remains above 10%—then this general takeover Offer will be ineffective from the outset. Any prior acceptances will no longer be valid, and China Securities Depository and Clearing Corporation Limited Shenzhen Branch will automatically release the temporary custody of the corresponding shares.

#### **6. 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
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. The closing price of HK\$2.86

per share on the record date for this tender offer report summary announcement. After comprehensive consideration, 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.

#### 7. Details Regarding the Funds for the takeover Offer

Based on the offer price of 2.86 Hong Kong dollars per share, the maximum total funds required for this takeover Offer amount to 453,596,000 Hong Kong dollars.

In accordance with the requirements of relevant laws and regulations, Wazhou Group will deposit no less than 90,720,000 Hong Kong dollars (i.e., no less than 20% of the maximum total funds required for this takeover Offer) into the designated account of China Securities Depository and Clearing Corporation Limited Shenzhen Branch within two trading days after disclosing the "Summary of the takeover Offer Report," as a performance guarantee for this takeover Offer.

The funds required for this takeover Offer are sourced from the acquirer's own funds or self-raised funds, and are not obtained directly or indirectly from Wazhou B or its affiliated entities, ensuring legality. There is no scenario where the shares acquired in this takeover Offer are pledged to banks or other financial institutions for financing. The acquirer possesses the performance capability required for this takeover Offer.

Upon the expiration of the takeover Offer period, the acquirer will confirm the acquisition results based on the quantity of pre-accepted tender shares held in temporary custody by China Securities Depository and Clearing Corporation Limited Shenzhen Branch and fulfill the takeover Offer in accordance with the offer conditions.

#### 8. Duration of the takeover Offer

The duration of this takeover Offer is 30 calendar days, unless a competing offer arises. For specific dates of the takeover Offer period, please refer to the relevant content in the full version of the takeover Offer report to be announced subsequently. Within the last three trading days prior to the expiration of the takeover Offer period, shareholders who have pre-accepted the offer may not withdraw their acceptance.

During the takeover Offer period, investors can inquire about the quantity of shares pre-accepted under the takeover Offer and the quantity of shares for which pre-acceptance has been withdrawn as of the previous trading day on the Shenzhen Stock Exchange website (<http://www.szse.cn/>).

#### III. Other Explanatory Notes

The above only represents part of the content of this takeover Offer. For details, please refer to the "Summary of the Takeover Offer Report of Wafangdian Bearing Co., LTD." disclosed on the Juchao

Information Network (<http://www.cninfo.com.cn>) and the Securities Times. As of the date of this announcement, this takeover Offer has not yet taken effect and still carries certain uncertainties. All information of the Company shall be based on the announcements published in the aforementioned designated media. Investors are kindly advised to invest rationally and be mindful of the risks.

#### **IV. Reference Documents**

1. Summary of the Takeover Offer Report of Wafangdian Bearing Co., LTD.

**Hereby notify**

Board of directors of  
Wafangdian bearing Company limited  
December 17, 2025