

Wafangdian Bearing Company Limited

Announcement on Adjusting the Organizational Structure of the Company

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.

Wafangdian Bearing Co., LTD. (hereinafter referred to as the "Company") held the 15th meeting of the ninth Board of Directors on January 20, 2025, at which the "Motion on Adjusting the organizational structure of the Company" was reviewed and passed.

In order to continuously improve the company's core competitiveness, optimize the management structure, improve decision-making efficiency, enhance coordination ability, and support the rapid realization of the company's strategic goals, the company's organization was comprehensively optimized and adjusted.

This organizational adjustment adopts the basic organizational model of "matrix management + divisional system". Specifically:

(1) the part of Functional departments

This time, two centers and five functional departments are set up.

1. The "Manufacturing process and equipment Research and Development Center" and "Quality Management Department" will be transformed into "process quality Center". By integrating process, quality and other business sectors and related personnel, the company will undertake the functions of process technology management and quality management, further improve process standardization, promote process cost reduction and efficiency, and achieve quality objectives.

2. Adjust "logistics company" to "operation and management center", and undertake functions such as capacity management, production system management, inventory management, shipping management, safety and environment management and special rectification and elimination by integrating production, procurement, warehousing, logistics, safety and environment and related personnel. Achieve the goals of production coordination, operation improvement, warehousing and logistics optimization, and promote safe production.

3. Integrated and established the market development Department to achieve the goals of expanding the organization, strengthening capabilities and effectively performing duties, effectively

supporting the company's market business development and growth needs, coordinating, serving and supporting each business unit to achieve product, customer, market and sales goals.

4. Integrated and established internal control and internal audit Department, responsible for legal affairs, risk control, internal compliance and audit, to further improve the management compliance of listed companies.

5. The Investment and Securities Department, Planning and Finance Department, and Human Resources Department have not been adjusted.

(2) Complete the business division

The truck branch, Precision Branch and Rail Transit Division are merged into the new "Rail Transit Bearing Division" to form a complete business division of product management, research and development, product performance, product application, sales and service, and production chain closed loop. Focus on key customers and key advantageous products in the railway field, and collaborate with advantageous resources to achieve profitability and stable growth.

(3) Sales Division

The former construction machinery division, transmission machinery division, precision machinery division

Merged into "Industrial Machinery Bearing Division"; The former Metallurgical Bearing Business division and Mining machinery Bearing Business Division were merged into "Industrial Mining Bearing Business Division", and the corresponding business divisions were integrated to form a semi-closed-loop sales business division with product management, R&D and design, product performance, product application, sales and service, and sales and business objectives were achieved through the internal market acquisition transaction mechanism and finished product factory. Focus on key customers and key advantageous products in the corresponding fields, and collaborate with advantageous resources to achieve volume, price and competitiveness growth.

(4) Product Division

The company included the Precision spherical Roller Bearing (Wafangdian) Co., Ltd. and the Dalian Precision Motor Automotive Bearing Co., Ltd. into the "General and deep Groove Ball Business Division", responsible for the product management, research and development design, product performance, product quality, product comprehensive cost advantage and other product strength building

in the field of general and deep groove ball products. Promote sales and service through product management and deep linkage with the region.

(5) Sales organization

1. Merged the original Import and Export, India and Pakistan, RECP three overseas sales companies into the international business division, cancelled the design function, strengthened product application and technical services, and was responsible for the overseas international market expansion, sales and service of the company's products.

2. The original eight sales regions of Northeast, Southeast, Northwest, Southwest, North, South, Central and East China were restructured and merged into four sales regions of East, West, South and North, the design function was abolished, the regional distribution (circulation) market was the main focus, product application and technical services were strengthened, and the sales targets were achieved mainly in collaboration with the General and Deep Groove Ball business Division. Undertake some key industry customer development.

(6) Production units

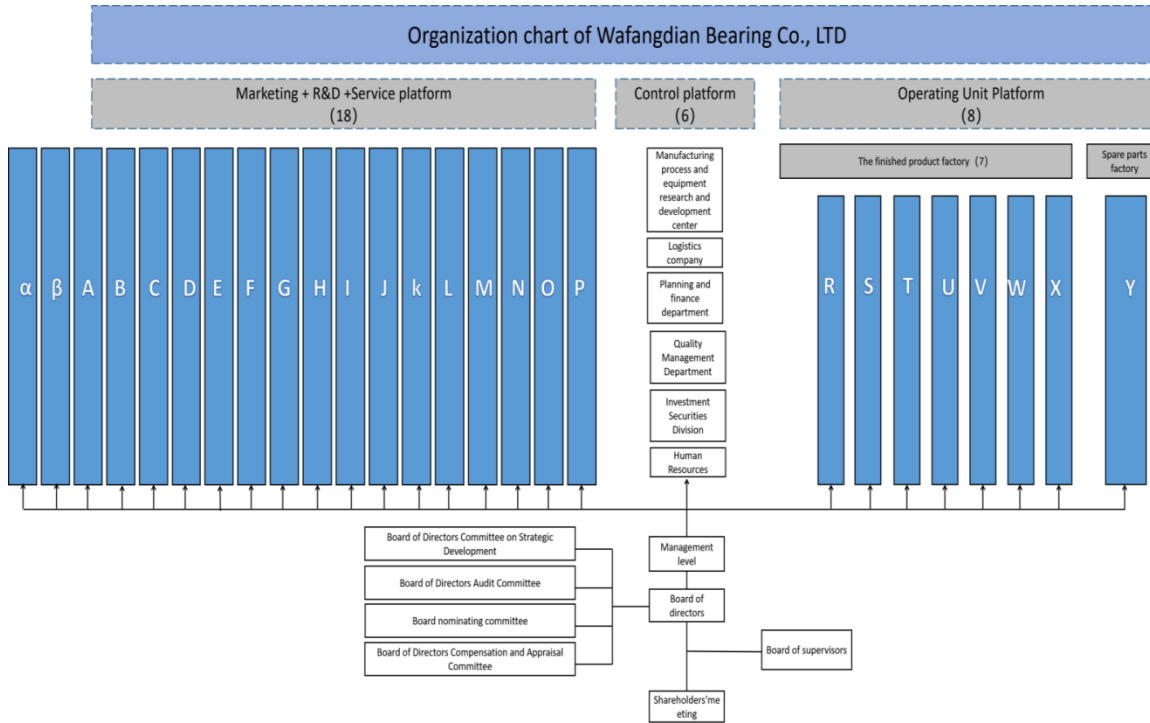
Bearing Accessories Branch Company, Medium and large-sized Bearing Branch Company, Extra Large Precision Bearing Branch Company and Liaoyang Bearing Manufacturing Co., Ltd. have not been adjusted, and their functions are positioned as shared factories, implementing market-oriented operation mechanism, improving process and manufacturing with product/project needs of relevant business units, and leading the plant to reduce cost, improve quality and efficiency, and improve delivery capacity. To improve the competitiveness of the company's products in the market.

The organizational structure before and after the adjustment is detailed in the annex.

Hereby notify

**Board of directors of
Wafangdian bearing Company limited
January 21, 2025**

Organization chart before adjustment:



Letter names table	
α	Rail transit bearing division
β	Smelting heavy division
A	Industrial equipment bearing division
B	Mining machinery bearing division
C	Mechanical drive bearing division
D	Construction machinery bearings business
E	Precision machinery bearings business
F	Northeast sales area
G	North sales area
H	Northwest sales area
I	Southwest sales area
J	South China sales area
K	Central China sales area
L	East China sales area
M	Southeast sales area
N	RECP sales area
O	India and Pakistan Sales Region
P	Import and Export Company
R	Wafangdian bearing co., LTD. Precision bearing manufacturing branch
S	Wafangdian bearing co., LTD., oversize precision bearing manufacturing branch
T	Wafangdian bearing co., LTD. Branch railway wagon bearing manufacturing
U	Wafangdian bearing Co., LTD. Medium and large bearing manufacturing branch
V	Dalian ZWZ precision motor car bearing co., LTD
W	Wazhou precision spherical roller bearings (wafangdian) co., LTD
X	Wazhou liaoyang bearing manufacturing co., LTD
Y	Wafangdian bearing co., LTD., bearing accessories manufacturing branch

Adjusted organization chart:

