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## **Precision Tsugami (China) Corporation Limited**

**津上精密機床（中國）有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1651)**

### **POSITIVE PROFIT ALERT**

This announcement is made by Precision Tsugami (China) Corporation Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2021 and the information currently available, the Group is expected to record profit attributable to the owners of the Company of approximately RMB370 million for the six months ended 30 September 2021, representing an increase of approximately 150% as compared to the profit attributable to the owners of the Company of approximately RMB148 million (unaudited) for the six months ended 30 September 2020.

Based on the information currently available, the Board believes that the Group’s businesses have benefited from the rapid recovery of the domestic economy in China. Manufacturing industries in China, including automotive industry and general machining industry, maintained strong demand for machine tools, with the foreign markets returning to historical highs. Under the influence of such macro circumstances, in the first half of the current financial year ending 31 March 2022, the Group has sustained the great momentum in sales performance since the last financial year ended 31 March 2021, with each of its major models recording promising sales results.

The Company will continue to strive to enhance its production efficiency, reduce costs and optimise product pipelines, thereby broadening the application of the computerised numerical control high precision machine tools and further expanding its sales network to increase the sales of the Group.

The Board wishes to remind the Shareholders and potential investors that the information contained in this announcement is only based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2021, which have not yet been finalized and are subject to the review of the Company and its auditors. The Company will continue to closely monitor the financial performance of the Group and will make announcement as and when necessary in compliance with the Listing Rules and applicable laws. Detailed financial information will be disclosed in the interim results announcement of the Group for the six months ended 30 September 2021, which is currently expected to be released in mid-November 2021.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Precision Tsugami (China) Corporation Limited**  
**Dr. Tang Donglei**  
*Chief Executive Officer and Executive Director*

Hong Kong, 22 October 2021

*As at the date of this announcement, the executive directors of the Company are Dr. Tang Donglei and Dr. Li Zequn; the non-executive directors of the Company are Mr. Takao Nishijima, Ms. Mami Matsushita and Mr. Kenji Yoneyama; and the independent non-executive directors of the Company are Dr. Eiichi Koda, Dr. Huang Ping and Mr. Tam Kin Bor.*