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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 (Chapter 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 nine months ended 31 December 2021 and the information currently available, the Group is expected to record profit attributable to the owners of the Company of approximately RMB533 million for the nine months ended 31 December 2021, representing an increase of approximately 115% as compared to the profit attributable to the owners of the Company of approximately RMB248 million (unaudited) for the nine months ended 31 December 2020.

Based on the information currently available, the Board believes that the Group’s business have benefited from the continuous recovery of the global economy. Manufacturing industries in China and overseas markets maintained strong demand for machine tools. In particular, the demand from overseas markets is high, showing significant momentum of growth. Under the influence of the aforementioned macro circumstances, in the first three quarters 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 nine months ended 31 December 2021, which have not yet been finalized and are subject to the review of the Company. 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.

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

By Order of the Board

**Precision Tsugami (China) Corporation Limited**

**Dr. Tang Donglei**

*Chief Executive Officer and Executive Director*

Hong Kong, 28 January 2022

*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.*