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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)**

### **CHANGE OF CHAIRMAN OF THE BOARD AND CHANGE OF THE COMPOSITION OF THE NOMINATION COMMITTEE**

The Board hereby announces the following changes with effect from 1 April 2022:

- (i) Mr. Takao Nishijima will cease to serve as the Chairman of the Board and the chairman of the Nomination Committee;
- (ii) Dr. Tang Donglei will be appointed as the Chairman of the Board;
- (iii) Dr. Eiichi Koda will cease to serve as a member of the Nomination Committee;
- (iv) Dr. Huang Ping will be appointed as a member of the Nomination Committee; and
- (v) Mr. Tam Kin Bor will be appointed as the chairman of the Nomination Committee.

#### **CHANGE OF CHAIRMAN OF THE BOARD**

The board (the “**Board**”) of directors (the “**Directors**”) of Precision Tsugami (China) Corporation Limited (the “**Company**”, and its subsidiaries, the “**Group**”) hereby announces that Mr. Takao Nishijima (“**Mr. Nishijima**”) will cease to serve as the chairman of the Board (the “**Chairman**”) with effect from 1 April 2022 due to reshuffling of management duties. Mr. Nishijima will continue to act as a non-executive Director.

The Company’s current Chief Executive Officer and executive Director, Dr. Tang Donglei (“**Dr. Tang**”), will be appointed as the Chairman with effect from 1 April 2022. Please refer to the circular of the Company dated 16 July 2021 for the biographical information of Dr. Tang.

Mr. Nishijima has confirmed that he has no disagreement with the Board and there is no other matter that needs to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to his cessation as the Chairman.

The Board expresses its great appreciation to Mr. Nishijima for his contributions to the Group and also congratulates Dr. Tang on his new appointment and looks forward to his continuous contribution to the Group’s business and development.

It is noted that pursuant to code provision C.2.1 of the Corporate Governance Code as contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Corporate Governance Code**”), the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Accordingly, the appointment of Dr. Tang as the Chairman deviates from the relevant code provision of the Corporate Governance Code. The Board however believes that it is in the interests of the Company to vest the roles of both the Chairman and the Chief Executive Officer in the same person, so as to provide consistent leadership within the Group and facilitate the prompt execution of the Group’s business strategies and boost operation effectiveness. The Board also believes that the balance of power and authority under this arrangement will not be impaired, as all major decisions must be made in consultation with the Board as a whole, together with its relevant committees, which comprise experienced and high calibre individuals, with three independent non-executive Directors who are in the position to provide independent insights to the Board and monitor the management and operation of the Company. The Board will periodically review and consider the effectiveness of this arrangement by taking into account the circumstances of the Group as a whole.

### **CHANGE OF THE COMPOSITION OF THE NOMINATION COMMITTEE**

The Board also announces that Mr. Nishijima will cease to be the chairman of the Nomination Committee with effect from 1 April 2022 but will continue to act as a member of the Nomination Committee. Dr. Eiichi Koda will cease to serve as a member of the Nomination Committee with effect from 1 April 2022. Dr. Huang Ping (“**Dr. Huang**”) will be appointed as a member of the Nomination Committee with effect from 1 April 2022. Mr. Tam Kin Bor (“**Mr. Tam**”) will be appointed as the chairman of the Nomination Committee with effect from 1 April 2022. Dr. Huang and Mr. Tam are both independent non-executive Directors.

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

Hong Kong, 11 March 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.*