

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.

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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Precision Tsugami (China) Corporation Limited (the “Company”) will be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong at 10:00 a.m. on Tuesday, 16 August 2022, for the purpose of considering and, if thought fit, with or without amendment, passing the following resolutions:

Ordinary Resolutions

1. to receive and consider the audited consolidated financial statements and the reports of the directors and auditor of the Company for the year ended 31 March 2022.
2. to declare a final dividend of HK\$0.40 per share for the year ended 31 March 2022.
3. (A) to re-elect each of the following as directors of the Company by separate resolutions:
 - (i) Mr. Takao Nishijima as a non-executive director of the Company;
 - (ii) Ms. Mami Matsushita as a non-executive director of the Company;
 - (iii) Mr. Motoi Yamada as a non-executive director of the Company; and
 - (iv) Mr. Tam Kin Bor as an independent non-executive director of the Company.
- (B) to authorise the board of directors of the Company to fix the remuneration of directors.
4. to re-appoint Ernst & Young as the auditor of the Company and to authorise the board of directors of the Company to fix their remuneration.
5. to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

(b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 4% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in a general meeting.”

6. to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

(a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;

(b) the mandate in paragraph (a) above shall authorise the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in a general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

Special Resolution

7. to consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT** the new memorandum and articles of association submitted to the meeting and initialed by the chairman of the meeting for the purpose of identification be and are hereby approved and adopted as the memorandum and articles of association of the Company in substitution for, and to the exclusion of, the existing memorandum and articles of association of the Company.”

By order of the Board

Precision Tsugami (China) Corporation Limited

Dr. Tang Donglei

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 18 July 2022

Notes:

1. According to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), all resolutions proposed at a general meeting must be voted on by poll except where the chairman decides to allow a resolution which relates to a procedural or administrative matter to be voted on by a show of hands. An announcement on the voting results will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.tsugami.com.cn) in accordance with the Listing Rules.
2. Any shareholders of the Company (the “**Shareholders**”) entitled to attend and vote at the above general meeting is entitled to appoint one or more proxies (who must be individuals) to attend and, on a poll, vote on his/her behalf. A proxy need not be a Shareholder. If more than one proxy is so appointed, the form of proxy shall specify the number of shares in respect of which each such proxy is so appointed. In case of a poll every Shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which is signed or a certified copy of that power or authority must be deposited with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the above general meeting or any adjournment thereof (as the case may be). Return of the form of proxy shall not preclude a Shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above general meeting, the register of members of the Company will be closed from Thursday, 11 August 2022 to Tuesday, 16 August 2022 (both dates inclusive), during which period no transfer of shares will be registered. In order to be eligible for attending and voting at the AGM, unregistered holders of shares of the Company shall ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration before 4:30 p.m. on Wednesday, 10 August 2022.
5. For determining the entitlement to the proposed final dividend (subject to Shareholders’ approval at the AGM), the register of members of the Company will be closed from Monday, 22 August 2022 to Wednesday, 23 August 2022 (both dates inclusive), during which period no transfer of shares will be registered. In order to be eligible for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (if the transfer will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the transfer will be lodged on or after 15 August 2022) for registration before 4:30 p.m. on Friday, 19 August 2022.
6. If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above is hoisted or in force on the date of the AGM, the above general meeting will not to be held on Tuesday, 16 August 2022, but will be held immediately at the same time and place on the first Business Day after that day. “Business Day”, in this context, shall mean a day (not being a Saturday) on which banks in Hong Kong are open for general banking business. Should Shareholders have any enquiries relating to the above arrangements, please contact the Tricor Investor Services Limited at their customer service hotline at 2980 1333 during 9:00 a.m. to 5:00 p.m. from Monday to Friday, excluding Hong Kong public holidays.
7. References to time and dates of this notice are to Hong Kong time and dates.

PRECAUTIONARY MEASURES FOR THE AGM

Taking into account the recent developments of the coronavirus disease 2019 (COVID-19), the Company will implement the following prevention and control measures at the AGM to safeguard the health and safety of the Shareholders attending the AGM:

1. Compulsory body temperature check will be conducted for every Shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue.
2. Every Shareholder or proxy is required to wear surgical mask throughout the meeting.
3. Every Shareholder or proxy is required to complete a health declaration form before entering the venue.
4. No entry to the venue is allowed for any person who has shown any symptom of COVID-19 or is subject to quarantine order by the Government of the Hong Kong Special Administrative Region (the “**Hong Kong Government**”).
5. Appropriate distancing and spacing in compliance with the guidances from the Hong Kong Government will be observed and as such, the Company reserves the right to limit the number of the attendees at the AGM as may be necessary to avoid over-crowding.
6. No refreshments will be served and no corporate gifts will be distributed.

Shareholders, particularly those who are subject to quarantine in relation to COVID-19, are reminded that they may appoint any person or the chairman of the AGM as a proxy to attend and vote at the AGM, instead of attending and voting in person. A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.tsugami.com.cn).

As at the date of this notice, 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. Motoi Yamada; and the independent non-executive directors of the Company are Dr. Eiichi Koda, Dr. Huang Ping and Mr. Tam Kin Bor.