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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**", 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 year ended 31 March 2025 and the information currently available, the Group is expected to record a profit attributable to the owners of the Company of approximately RMB782 million for the year ended 31 March 2025, representing an increase of approximately 60% as compared to the profit attributable to the owners of the Company of approximately RMB480 million (as audited) for the year ended 31 March 2024.

Based on the information currently available, the Board believes that the Group's growth in results has benefited from the gradual recovery of confidence in the domestic manufacturing industries, including increased capital expenditure in the automotive, pneumatic and hydraulic, and general machining industry. In addition, the Group's continuous efforts to expand its presence in the automobile parts and components sub-segments, healthcare industry, etc., have led to increased demand for its CNC high precision machine tools. At the same time, the Group has actively engaged all employees in initiatives aimed at cost reduction and efficiency improvement, achieving remarkable results.

The Board believes that the performance of the machine tool industry is subject to cyclical changes, and therefore, the above change in the financial results aligns with the Company's expectations.

The Board wishes to remind its 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 year ended 31 March 2025, which has not yet been finalised and is subject to the review by 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. Details of the financial information are currently expected to be disclosed in the Group's annual results announcement for the year ended 31 March 2025, which is expected to be published before the end of June 2025.

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** Chairman, Chief Executive Officer and Executive Director

Hong Kong, 22 April 2025

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. Satoshi Iwabuchi, Dr. Huang Ping and Mr. Tam Kin Bor.