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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 2026 and the information currently available, the Group is expected to record a profit attributable to the owners of the Company of approximately RMB1,094 million for the year ended 31 March 2026, representing an increase of approximately 40% as compared to the profit attributable to the owners of the Company of approximately RMB782 million (as audited) for the year ended 31 March 2025.

Based on the information currently available, the Board believes that the growth in the profit of the Group has benefited from the continuous improvement in China’s economic outlook and the favorable trend of sustained growth in equipment demand from the domestic manufacturing industry, including the increasing capital expenditure in the automotive, 3C and pneumatic and hydraulic industries. In addition, the rapid development of emerging sectors such as AI liquid cooling and semiconductors has led to a continuous rise in demand for high-precision, automated and multi-functioned machine tools, serving as a key growth driver for the Group. At the same time, the Group has achieved remarkable results in the promotion of its cost reduction and efficiency improvement initiatives involving all employees, which has noticeably strengthened the Company’s profitability.

The Board believes that the performance of the machine tool industry is subject to cyclical changes, and therefore, the above extent of growth 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 2026, 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 2026, which is expected to be published before the end of June 2026.

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. Wang Xiaokun
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 21 April 2026

As at the date of this announcement, the executive directors of the Company are Dr. Wang Xiaokun, Dr. Tang Donghao, Mr. Shoichiro Haga and Mr. Li Junying; the non-executive directors of the Company are Mr. Nobuhiro Watabe and Ms. Mami Matsushita; and the independent non-executive directors of the Company are Mr. Kunimasa Ota, Dr. Satoshi Iwabuchi, Dr. Huang Ping and Mr. Tam Kin Bor.