

PRECISION
TSUGAMI
CHINA

PRECISION TSUGAMI (CHINA) CORPORATION LIMITED
津上精密機床(中國)有限公司

2024-2025
Annual Results Presentation

26 June 2025

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Agenda

- 1 Annual Results Summary 
- 2 Annual Business Review 
- 3 Appendix 

1

Annual Results Summary

(April 2024 to March 2025)



1.1 Financial Results Summary



1.2 Key Financial Indicators



1.3 Sales Revenue by Product Category



1.4 Distribution of Domestic and Overseas Sales Revenue



1.5 Distribution of Domestic Downstream Customers by Industry

1.1 Financial Results Summary

- Sales revenue amounted to RMB4.262 billion, a year-on-year increase of 36.6%;
- Gross profit reached RMB1.41 billion, up 57.5% year-on-year. Gross profit margin was 33.1%, up 4.4 percentage points year-on-year. Both gross profit and gross profit margin were historically high.
- Net profit was RMB782 million, up 63.0% year-on-year. Net profit margin was 18.4%, up 3.0 percentage points year-on-year. Both net profit and net profit margin were historically high.

(Unit: RMB'000)

Item	FY2022	FY2023	FY2024	FY2025	YoY Growth
Sales Revenue	4,419,887	4,046,902	3,119,674	4,261,557	36.6%
Gross Profit (Gross Profit Margin)	1,173,029 (26.5%)	1,036,121 (25.6%)	895,539 (28.7%)	1,410,433 (33.1%)	57.5% +4.4pct
Operating Profit* (Operating Profit Margin)	914,388 (20.7%)	782,219 (19.3%)	625,832 (20.1%)	1,067,857 (25.1%)	70.6% +5.0pct
Net Profit (Net Profit Margin)	667,404 (15.1%)	579,188 (14.3%)	479,970 (15.4%)	782,417 (18.4%)	63.0% +3.0pct
Basic Earnings Per Share (RMB)	1.75	1.52	1.26	2.08	65.1%

*Operating profit: gross profit minus sales and management expenses.

1.2 Key Financial Indicators

1. Safety	FY2023	FY2024	FY2025
1.1 Current ratio (Current Assets ÷ Current Liabilities)	3.3	3.7	3.7
1.2 Quick Ratio ((Current Assets - Inventory) ÷ Current Liabilities)	2.1	2.6	2.7
1.3 Gearing Ratio ((Total Liabilities ÷ Total Assets)×100%)	27.9%	25.6%	26.3%

2. Revenue	FY2023	FY2024	FY2025
2.1 Return on Equity (ROE) ((Net Profit ÷ Net Assets) × 100%)	24.4%	18.4%	26.8%
2.2 Return on Assets (ROA) ((Net Profit ÷ Total Assets)×100%)	16.5%	13.4%	19.8%

3. Cash Flow (RMB'000)	FY2023	FY2024	FY2025
3.1 Net Cash Flow Generated from Operating Activities	763,403	505,814	352,914
3.2 Cash and Cash Equivalents	638,572	678,007	390,064
3.3 Current Account Ratio ((Current Income ÷ Current Expenses)×100%)	121.3%	120.3%	110.6%

4. Capital Turnover	FY2023	FY2024	FY2025
4.1 Average Inventory Turnover Days	127	157	114
4.2 Average Turnover Days of Trade and Notes Receivables	92	105	109
4.3 Average Turnover Days of Trade and Notes Payables	88	95	73

1.3 Sales Revenue by Product Category

- Benefitting from the recovery of the manufacturing sector and increasing competitiveness of its products, all models achieved a year-on-year increase in sales;
- Sales of its core product, precision automatic lathes, amounted to approximately RMB2.76 billion, a year-on-year rise of 44.8%.

(Unit : RMB'000)

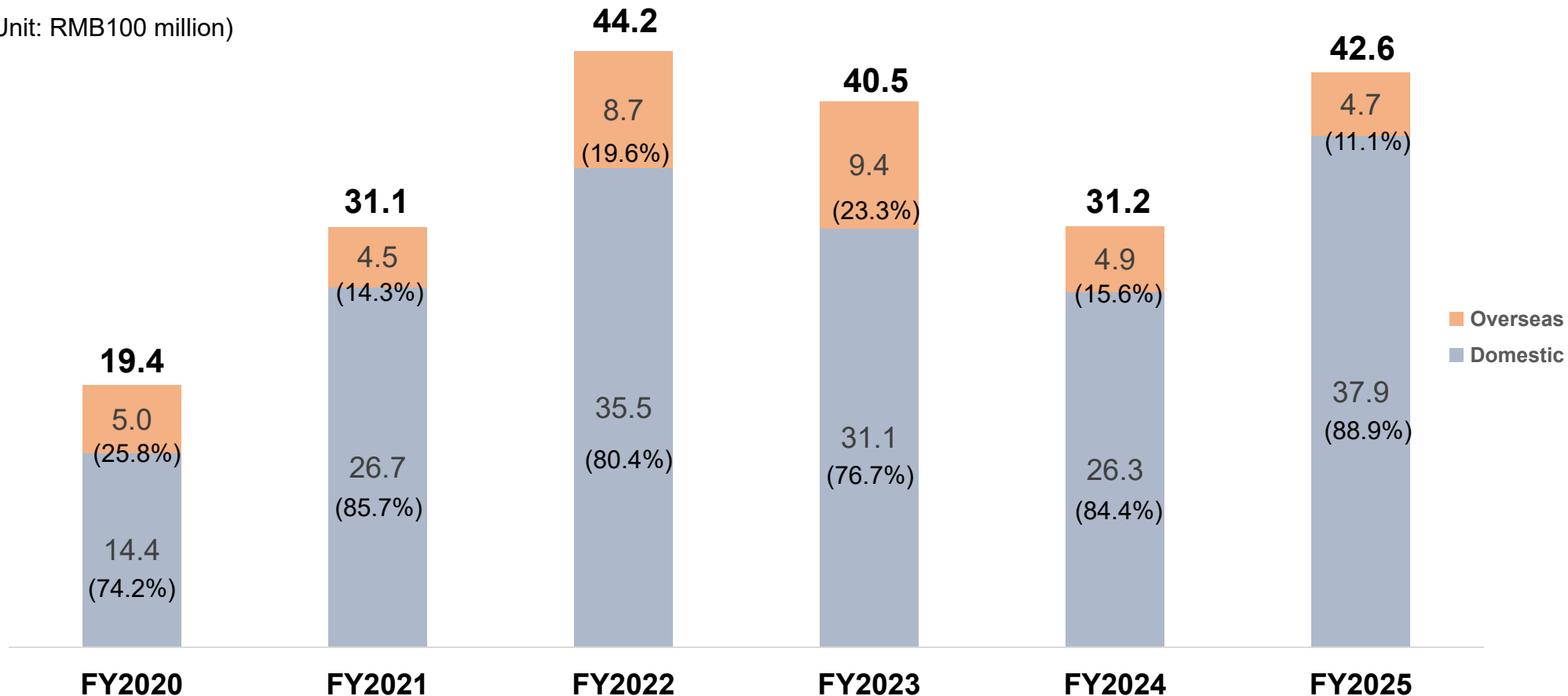
Type	FY2023	Proportion	FY2024	Proportion	FY2025	Proportion	YoY Growth
Precision Automatic Lathe	2,562,439	63.3%	1,903,286	61.0%	2,755,370	64.7%	44.8%
Precision Turret Lathe	905,136	22.4%	751,625	24.1%	869,122	20.4%	15.6%
Precision Machining Centers	247,817	6.1%	154,885	5.0%	243,618	5.7%	57.3%
Precision Grinding Machines	162,858	4.0%	144,330	4.6%	208,359	4.9%	44.4%
Others*	168,653	4.2%	165,549	5.3%	185,088	4.3%	11.8%
Total	4,046,902	100%	3,119,675	100%	4,261,557	100%	36.6%

Others *: Includes revenue from sales of precision thread and form rolling machines, parts sales and after-sales services

1.4 Distribution of Domestic and Overseas Sales Revenue

- Domestic sales totaled RMB3.79 billion, a year-on-year increase of 44.0%, achieving a historical high;
- Overseas sales totaled RMB470 million, a year-on-year decline of 3.3%.

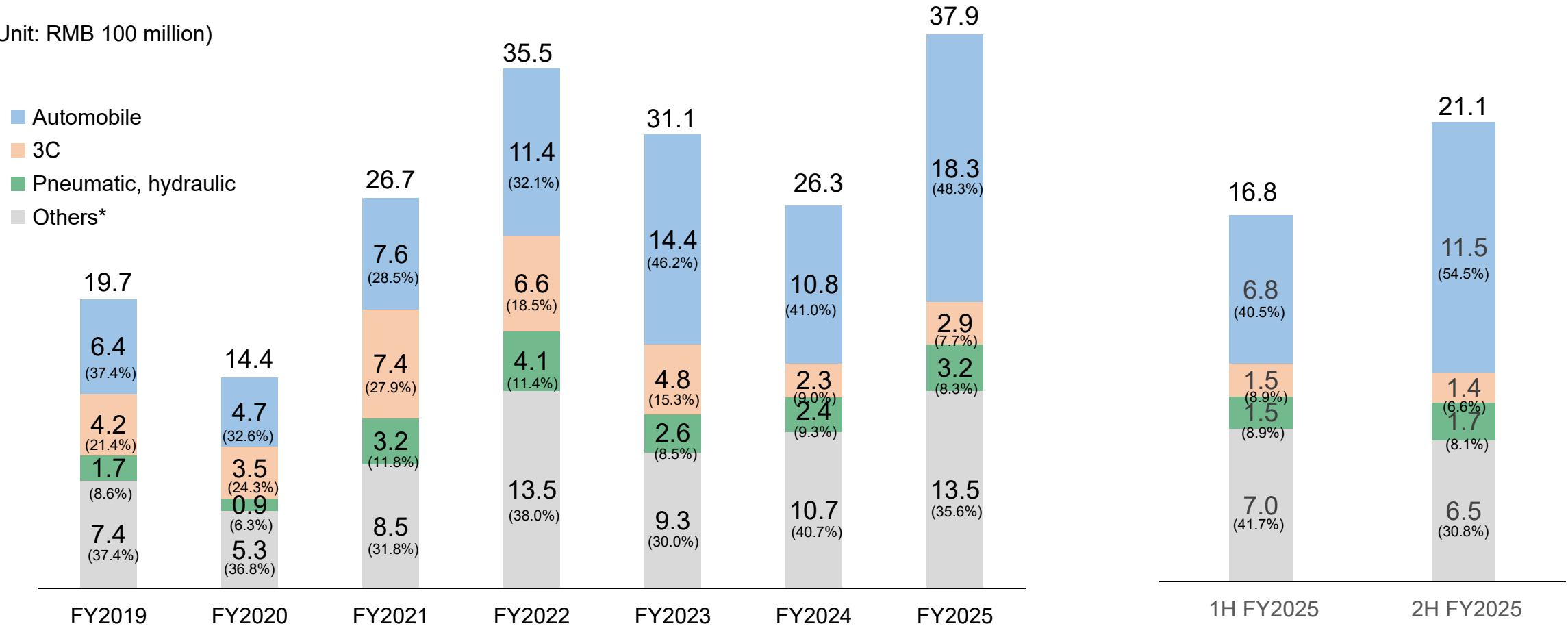
(Unit: RMB100 million)



1.5 Distribution of Domestic Downstream Customers by Industry

- Driven by the growing demand for machine tools from the automotive parts industry and the Company's active expansion in various automobile segments, sales from the automotive sector rose by approximately 69% year on year. Sales in the second half of the fiscal year were approximately 69% higher than in the first half.
- The 3C industry experienced relatively sluggish demand throughout the review period, but its sales still increased by approximately 26% year on year. Sales in the second half of the fiscal year were approximately 7% lower than in the first half.
- Demand within the pneumatic and hydraulic industry was relatively stable, with sales rising by approximately 33% year on year. Sales in the second half of the fiscal year were approximately 13% higher than in the first half.

(Unit: RMB 100 million)



Others: Include medical, semiconductor, humanoid robot, AI and other industries

2

Annual Business Review



2.1 Introduction to New Products



2.2 Exploration of New Industries and Applications



2.3 Active Capacity Expansion



2.4 Continuous Promotion of Improvement Proposals



2.5 Stable Dividend Payout Policy



2.6 Operating Philosophy of the Company

2.1 New Models Launched this Fiscal Year

Type	Model	Features and Applications
Precision external thread grinding machine	G300S-500/ G18-IISB	Precision grinding of small worm gears and screws used in industries such as automotive and humanoid robotics.
Precision turret lathe	M10D	Large-diameter turning-milling compound machine designed to meet the turning and milling machining needs of large products.



G300S-500

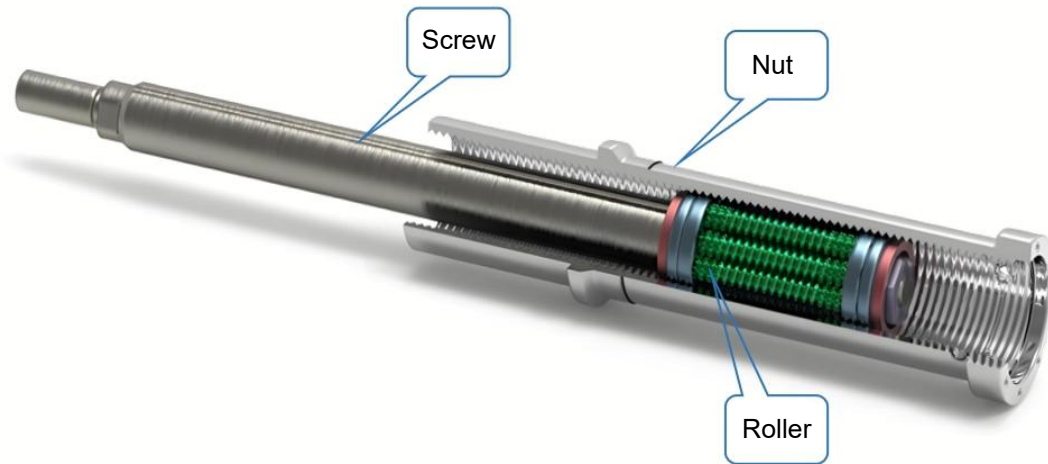




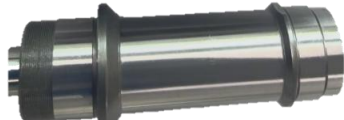
M10D

2.2.1 Expansion into New Industries – Planetary Roller Screw for Humanoid

Robots

Many of the Company's equipments are capable of handling the majority of machining processes for the planetary roller screw. During the year under review, equipment orders relating to automatic lathes, turret lathes, external cylindrical grinding machines, and thread and form rolling machines have been signed with over 10 customers.





Screw	Applicable models
	Automatic lathes, external cylindrical grinding machines, external thread grinding machines
Roller	Applicable models
	Automatic lathes, thread and form rolling machines, external cylindrical grinding machines, external thread grinding machines
Nut	Applicable models
	Turret lathes, external cylindrical grinding machines

2.2.2 Expansion into New Industries – AI Liquid-Cooling Connector

- Straight-through liquid-cooling connectors accounted for 80% of the total market demand. Among them, automatic lathes – the Company’s main product – offer vast application opportunities.
- During the year under review, equipment procurement orders have been signed with dozens of customers.
- The industry is expected to become one of the Company's main revenue growth drivers in FY2026.

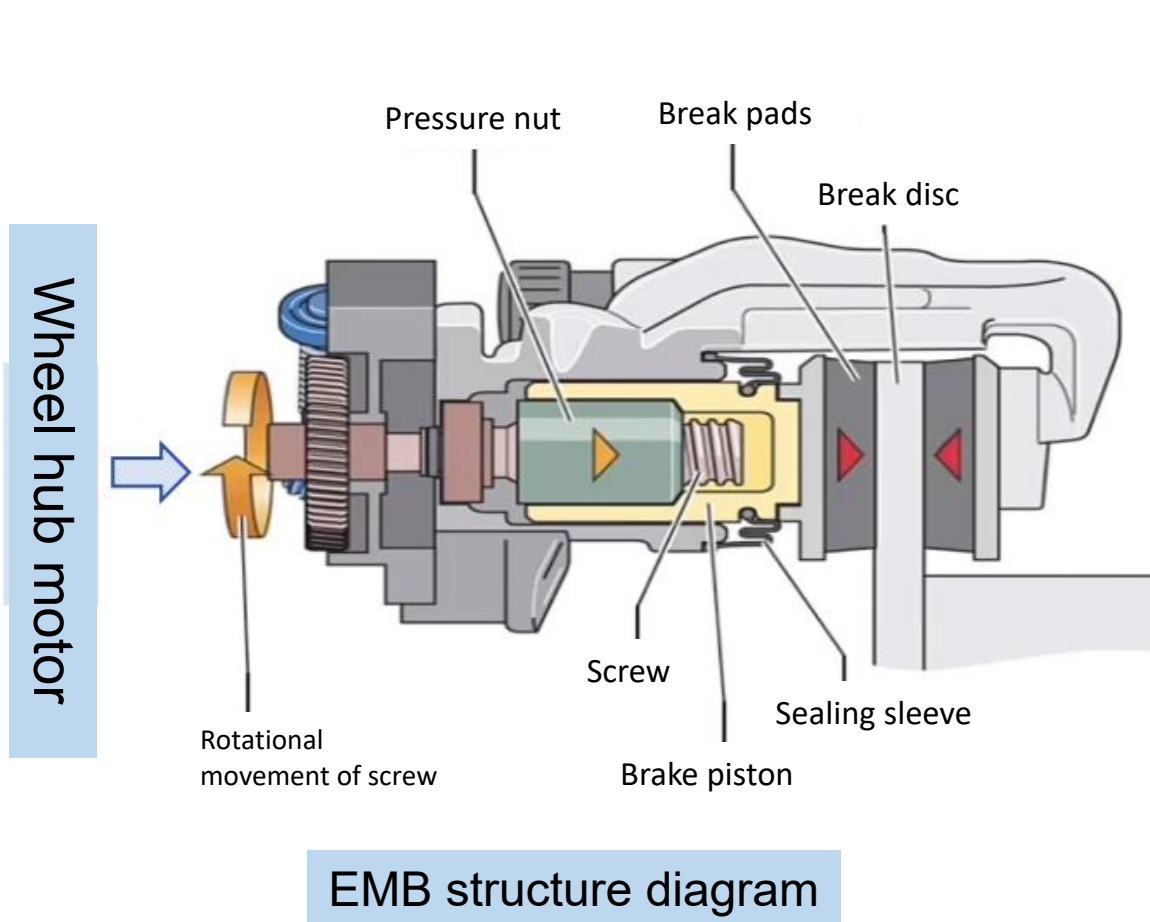





Straight-through liquid-cooling connector	Applicable models
	Automatic lathes

L-type liquid-cooling connector	Applicable models
	Automatic lathes Turret lathes, machining centers

2.2.3 Development of New Areas – Automotive Electronic Braking System

- The estimated cost of the equipment required for EHB (Electro-Hydraulic Brake) and EMB (Electro-Mechanical Brake) is to be around tens of billions to hundreds of billions of yuan.
- The Company plans to develop internal thread grinding machines and introduce them to the market this year. The machines can perform all processes involved in a complete set of ball screw nuts and provide a full processing line.



Screw	Application models
	Automatic lathe, turret machine, cylindrical grinding machine, external thread grinding machine
Nut	Application models
	Turret machine, cylindrical grinding machine, (internal thread grinding machine)
Worm	Application models
	Automatic lathe, thread rolling machine, cylindrical grinding machine, external thread grinding machine

2.3 Active Capacity Expansion – Pinghu New Plant (Sixth Zone)

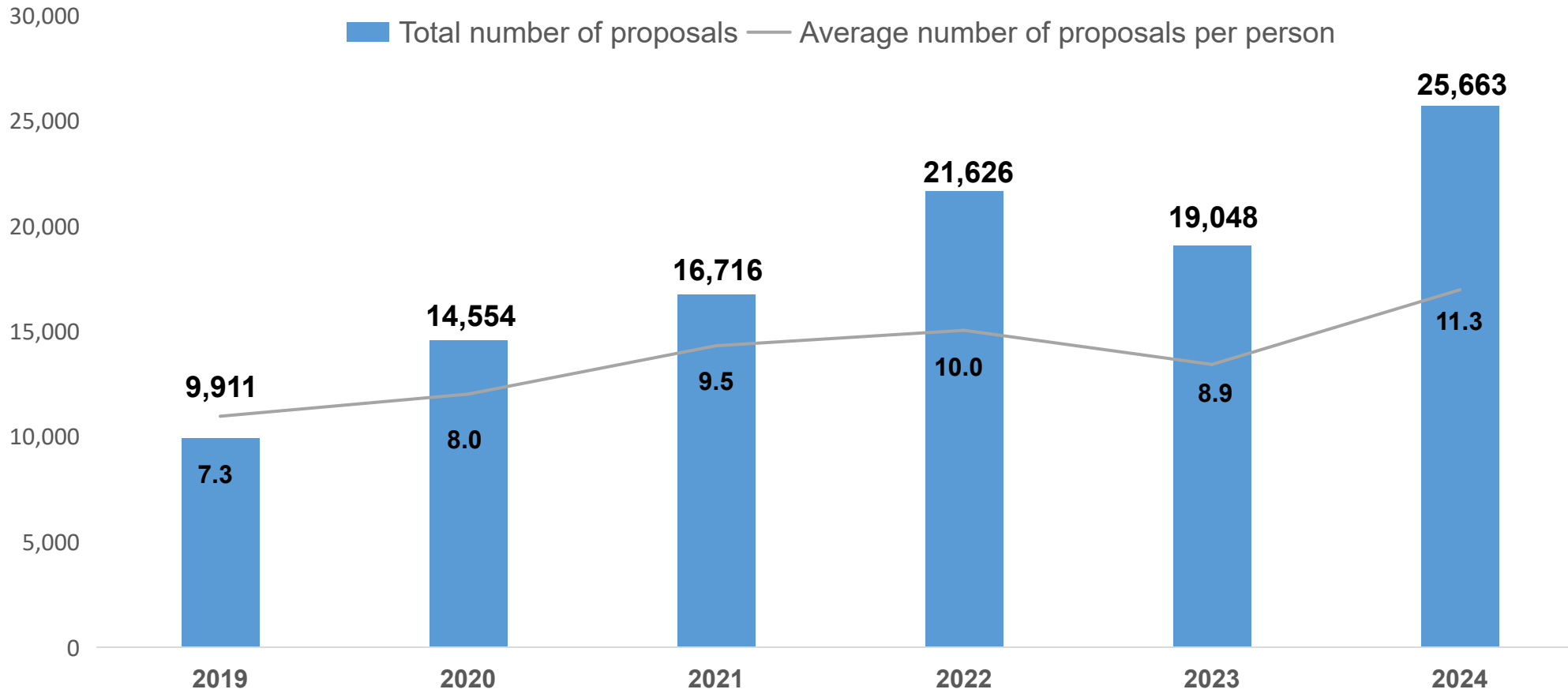
- In March 2025, the Company announced its acquisition of approximately 34 mu of land from the Pinghu Economic Development District, with plans to construct two plants within the next two years;
- Once the new plants commence production, the annual production capacity of machine tools is expected to increase by approximately 3,000 units.



Pinghu New Plant Project
Agreement Signing Ceremony

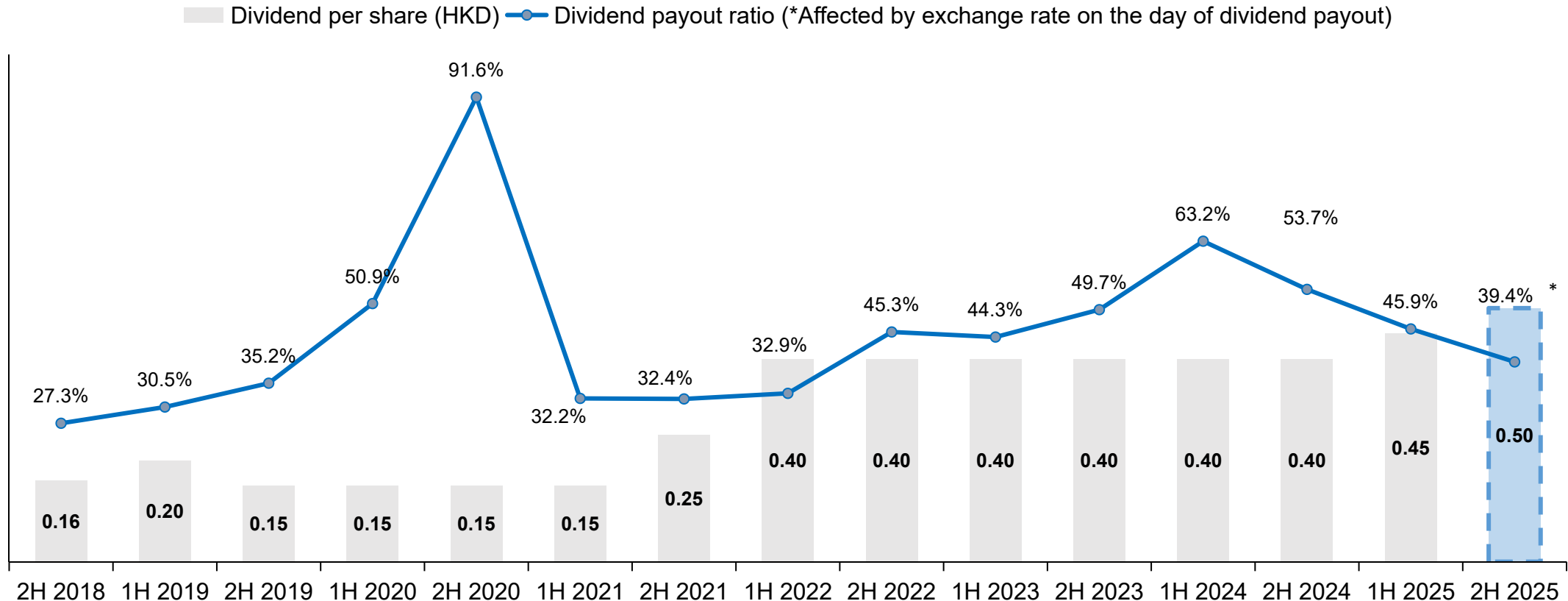
2.4 Continuous Promotion of Improvement Proposals

- Improvement proposal programs, in which all employees actively participate, are an effective means for the Company to reduce costs and increase efficiency, as well as a source of motivation for its development and growth.



2.5 Stable Dividend Payout Policy

- The Board proposed a dividend of HK\$0.50 per share for the second half of the year and an annual dividend of HK\$0.95 per share. Since its listing, the Company has paid a total dividend of HK\$4.56 per share.
- The Company is committed to increasing sales revenue, expanding its market share, and generating investment returns for shareholders through organic growth.



2.6 Operating Philosophy of the Company

1. Provide customers in China with the world's most advanced machine tools; provide customers around the world with the most cost-effective machine tools, manufactured by the Company.
2. Customer-oriented: help customers generate profit and achieve mutual growth.
3. Manufacture machine tools that touch the heart.

3

Appendix

Appendix I. Consolidated Statement of Profit or Loss and Other Comprehensive Income

		For the year ended 31 March		
No.	(RMB'000)	FY2023	FY2024	FY2025
1	Revenue	4,046,902	3,119,674	4,261,557
2	Cost of sales	(3,010,781)	(2,224,135)	(2,851,124)
3	Gross profit	1,036,121	895,539	1,410,433
4	Other income and gains	68,357	85,268	80,384
5	Selling and distribution expenses	(148,343)	(155,851)	(189,947)
6	Administrative expenses	(105,559)	(113,856)	(152,629)
7	Impairment loss on financial assets	2,587	2,340	(6,216)
8	Other expenses	(11,470)	(9,713)	(4,434)
9	Finance costs	(674)	(993)	(412)
10	Profit before tax	841,019	702,734	1,137,179
11	Income tax expense	(261,831)	(222,764)	(354,762)
12	Profit for the year	579,188	479,970	782,417
13	Basic earnings per share attributable to equity holders of the Company (RMB)	1.52	1.26	2.08

Appendix II. Consolidated Statement of Financial Position

No.	(RMB'000)	FY2023	FY2024	FY2025
1	Property, plant and equipment	535,989	567,773	554,497
2	Right-of-use assets	71,708	71,262	67,656
3	Intangible assets	5,144	5,475	6,315
4	Equity investments designated at fair value through other comprehensive income	2,800	3,775	4,750
5	Deferred tax assets	23,314	20,932	26,294
6	Total non-current assets	638,955	669,217	659,512
7	Inventories	1,055,191	857,075	930,344
8	Trade and notes receivables	817,892	981,537	1,566,691
9	Prepayments, other receivables and other assets	19,755	13,343	16,287
10	Cash and bank balances	977,572	1,111,063	1,081,652
11	Total current assets	2,870,410	2,963,018	3,594,974
12	Total assets	3,509,365	3,632,235	4,254,486
13	Trade and notes payables	626,673	533,783	610,517
14	Other payables and accruals	166,472	189,754	213,949
15	Tax payable	67,871	73,492	137,750
16	Lease liabilities	1,719	2,184	1,338
17	Provision	9,674	6,995	10,391
18	Total current liabilities	872,409	806,208	973,945
19	Lease liabilities	1,439	1,902	1,005
20	Deferred tax liabilities	78,106	91,280	116,361
21	Deferred income	16,418	18,099	16,600
22	Other long-term liabilities	12,100	13,157	12,413
23	Total non-current liabilities	108,063	124,438	146,379
24	Total liabilities	980,472	930,646	1,120,324
25	Issued capital	319,836	319,836	319,626
26	Treasury shares	-	(27,431)	(87,058)
27	Reserves	2,209,057	2,409,184	2,901,594
28	Total equity	2,528,893	2,701,589	3,134,162
29	Liabilities +Total Equity	3,509,365	3,632,235	4,254,486

Appendix III. Consolidated Statement of Cash Flows

No.	(RMB'000)	For the year ended 31 March		
		FY2023	FY2024	FY2025
	Cash flow from operating activities			
1	Profit before tax	841,019	702,734	1,137,179
	Adjustments for :			
2	Finance costs	674	993	412
3	Bank interest income	(10,023)	(27,664)	(22,518)
4	Net loss on disposal of items of property, plant and equipment	7,502	962	239
5	Depreciation of property, plant and equipment	56,869	52,952	54,789
6	Depreciation of right-of-use assets	4,591	4,392	4,450
7	Amortization of intangible assets	1,373	1,393	1,684
8	Equity-settled share-based payment expenses	-	305	6,749
9	Impairment lost accrual/ (reversal) of trade receivables and notes	(939)	(20)	5,682
10	Impairment loss accrual/ (reversal) of financial assets at fair value through other comprehensive income	(1,646)	(2,317)	533
11	Impairment loss accrual of inventories	6	1,351	2,743
12	Impairment loss accrual/ (reversal) of financial assets included in prepayments, other receivables and other assets	(2)	(3)	1
	Adjusted profit before tax	899,424	735,078	1,191,943
13	Decrease/ (increase) in pledged deposits	15,497	-	-
14	Decrease/ (increase) in inventories	(21,654)	196,765	(76,012)
15	Decrease/ (Increase) in trade and notes receivables	397,564	(161,308)	(591,369)
16	Decrease/ (Increase) in prepayments, other receivables and other assets	30,991	6,415	(2,945)
17	(Decrease)/ increase in trade and notes payables	(193,499)	(92,890)	76,734
18	(Decrease)/ increase in other payables and accruals	(30,672)	9,970	31,860
19	(Decrease)/increase in other liabilities	2,400	1,057	(744)
20	(Decrease)/increase in contract liabilities	(101,988)	13,312	(7,665)
21	(Decrease)/increase in provision	(1,813)	(2,679)	3,396
22	Increase/ (decrease) in deferred income	(849)	1,681	(1,499)
23	Cash generated from operations	995,401	707,401	623,699
24	Income tax paid	(231,998)	(201,587)	(270,785)
25	Net cash flow from operating activities	763,403	505,814	352,914

Appendix III. Consolidated Statement of Cash Flows (Cont.)

No.	(RMB'000)	For the year ended 31 March		
		FY2023	FY2024	FY2025
	Cash flow from investing activities			
26	Interest received	10,023	27,664	22,518
27	Purchase of items of property, plant and equipment	(54,125)	(86,260)	(42,405)
28	Proceeds from disposal of items of property, plant and equipment	3,606	562	653
29	Purchase of equity investments designated at fair value through other comprehensive income	(2,800)	(975)	(975)
30	Additions to intangible assets	(984)	(1,724)	(2,524)
31	Withdrawal in time deposits with original maturity of more than three months	70,000	562,000	428,000
32	Placement in time deposits with original maturity of more than three months	(409,000)	(656,056)	(686,532)
33	Net cash flows used in investing activities	(383,280)	(154,789)	(281,265)
	Cash flows from financing activities			
34	Repurchase of shares	-	(27,431)	(61,736)
35	Repayment of bank and other loans	(22,094)	-	-
36	Principal portion of lease payments	(2,579)	(3,018)	(2,587)
37	Dividends paid	(271,637)	(280,148)	(294,857)
38	Interest paid	(674)	(993)	(412)
39	Net cash flows used in financing activities	(296,984)	(311,590)	(359,592)
40	Net increase in cash and cash equivalents	83,139	39,435	(287,943)
41	Cash and cash equivalents at beginning of year	555,433	638,572	678,007
42	Cash and cash equivalents at end of year	638,572	678,007	390,064
	Analysis of balances of cash and cash equivalents			
43	Cash and cash equivalents	638,572	678,007	390,064

Q&A Session



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