

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Techtronic Industries Company Limited**  
**創 科 實 業 有 限 公 司**  
*(Incorporated in Hong Kong with limited liability)*

## **DISCLOSURE UNDER PRACTICE NOTE 19**

The Directors announce that the Company has issued the Parent Guaranty to the Purchasers regarding the issue of the Notes for an aggregate principal amount of US\$145 million as long as the Notes remain outstanding (the last series due 30 June 2013). In the Parent Guaranty the Company has undertaken to the Purchasers that an offer to prepay the principals and interests accrued under the Notes (as specified below) will be made to them if there is any change in the beneficial owners, directly or indirectly, of more than 50 per cent. of the voting share capital of the Company.

This announcement is made in compliance with paragraph 3.7.1 of the Practice Note 19 to the Listing Rules.

The Directors announce that the trustee of a wholly owned subsidiary of the Company has issued the Notes for an aggregate principal amount of US\$145 million, the proceeds of which is for refinancing existing indebtedness (and for information, as at 31 December 2002, total bank borrowings of the Company and its subsidiaries amounted to HK\$1.3 billion) and for general corporate purposes. For such purpose, the Company has issued the Parent Guaranty dated 30 June 2003 to the Purchasers of the Notes. In the Parent Guaranty, the Company has undertaken to the Purchasers that as long as the Notes remain outstanding (the last series due 30 June 2013), the Company would guarantee to the Purchasers the prompt payment of all amounts of principal and interest of the Notes, i.e.:

- in respect of series A senior guaranteed notes due 30 June 2010, US\$25,000,000 at 4.09%;
- in respect of series B senior guaranteed notes due 30 June 2013, US\$120,000,000 at 4.70%,

together with all other relevant amounts which may become due and payable from time to time with respect thereto.

The Company has also undertaken that within five business days when the Company has knowledge of any change in the beneficial owners, directly or indirectly, of more than 50 per cent. of the voting share capital of the Company, give notice of such change to each of the Purchasers, and such notice will contain and constitute an offer to prepay the Notes, which will be the total amount of the principals of such Notes, together with interests accrued thereon up to the date of prepayment. For general information, it is considered that as the Company has a broad shareholders base, the likelihood of any change of control as contemplated in the Parent Guaranty is practically very low. Further, appropriate announcements will be made according to the requirements of the Listing Rules once any such change has taken place.

If it occurs any change of control of the Company which falls within the meaning of the Parent Guaranty, an announcement will be made by the Company to that effect.

Save as disclosed herein, the Directors considered that there is no other general disclosure obligation under Practice Note 19 of the Listing Rules at the date of this announcement. The Directors undertake to comply with the continuing disclosure requirements under paragraph 3.9 of the Practice Note 19 of the Listing Rules.

## **DEFINITIONS**

<b>Expression</b>	<b>Meaning</b>
“Company”	Techtronic Industries Company Limited
“Directors”	directors of the Company
“Listing Rules”	Rules Governing the Listing of Securities on the The Stock Exchange of Hong Kong Limited
“Notes”	(i) US\$25,000,000 4.09% senior guaranteed notes, series A due 30 June 2010; and (ii) US\$120,000,000 4.70% senior guaranteed notes, series B due 30 June 2013
“Parent Guaranty”	the parent guaranty dated 30 June 2003 issued by the Company to the Purchasers for the purpose of the issue of the Notes
“Purchasers”	purchasers of the Notes, who are United States institutional investors

By Order of the Board  
**Techtronic Industries Company Limited**  
**Horst Julius Pudwill**  
*Chairman*

Hong Kong, 3 July 2003

Please also refer to the publish version of this announcement in the Standard.