



Techtronic Industries Co. Ltd.

(Incorporated in Hong Kong with limited liability)

(Stock Code : 669)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of the Company will be held at Harbour Room, 3rd Floor, The Ritz-Carlton, Hong Kong, 3 Connaught Road, Central, Hong Kong, on 30th May, 2005 at 9:30 a.m. for the following purposes:

- (1) To receive and consider the Statement of Accounts and the Reports of the Directors and Auditors for the year ended 31st December, 2004.
- (2) To declare a Final Dividend of HK12.50 cents per share to shareholders whose names appear on the Register of Members of the Company on 17th June, 2005.
- (3) To re-elect retiring Directors and fix the Directors' remuneration.
- (4) To appoint Auditors and fix their remuneration.

As special business, to consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions, as indicated below:

Ordinary Resolutions

- (5) **“THAT:**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers be and it is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers during and after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any bonds, notes, debentures and securities which are convertible into shares of the Company; or (iii) the exercise of any options granted under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries, of options to subscribe for, or rights to acquire, shares of the Company; or (iv) an issue of shares by way of scrip dividends pursuant to the articles of association of the Company from time to time, shall not exceed:

(A) in the case of an allotment and issue of shares for cash, 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution; and

(B) in the case of an allotment and issue of shares for a consideration other than cash, 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution (less any shares allotted and issued pursuant to sub-paragraph (A) above),

provided that any shares to be allotted and issued pursuant to the approval in paragraph (a) above shall not be issued at a discount of more than 5% to the Benchmarked Price (as hereinafter defined) of the shares, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Benchmarked Price” shall be a price which is the higher of:

(i) the closing price of the shares of the Company as stated in the Stock Exchange’s (as hereinafter defined) daily quotations sheet on the date of signing of the agreement to which the transaction relates; and

(ii) the average closing price of the shares of the Company as stated in the Stock Exchange’s daily quotations sheet for the five trading days immediately preceding the earliest of:

(A) the date of signing of the agreement to which the transaction relates;

(B) the date on which the relevant transaction is announced; or

(C) the date on which the price of the shares of the Company to be issued pursuant to the transaction is fixed;

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting;

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company 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 of the Company or any class thereof (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to overseas shareholders or fractional entitlement or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong); and

“Stock Exchange” means The Stock Exchange of Hong Kong Limited.”

(6) **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on the Stock Exchange (as hereinafter defined) or on any other exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of share capital of the Company purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“Stock Exchange” means The Stock Exchange of Hong Kong Limited.”

- (7) “**THAT** conditional upon the passing of the ordinary resolutions numbered 5 and 6 in the notice convening the annual general meeting of the Company at which this resolution is proposed, the aggregate nominal amount of the shares in the capital of the Company which are purchased by the Company pursuant to and in accordance with the said resolution numbered 6 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the said resolution numbered 5.”
- (8) “**THAT** the existing scheme mandate limit in respect of the granting of options to subscribe for shares of the Company under the share option scheme adopted by the Company on 28th March, 2002 (the “Share Option Scheme”) be refreshed provided that the total number of shares which may be allotted and issued pursuant to the grant or exercise of the options under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme, the old share option scheme of the Company adopted by the Company on 25th May, 2001 which was terminated on 28th March, 2002 and other share option schemes of the Company) shall not exceed 10% of the shares of the Company in issue as at the date of passing of this resolution (the “Refreshed Limit”) and subject to the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in such number of shares to be issued pursuant to the exercise of the options granted under the Refreshed Limit and in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the directors of the Company be and are hereby authorized to grant options under the Share Option Scheme up to the Refreshed Limit and to exercise all powers of the Company to allot, issue and deal with the shares to be issued pursuant to the exercise of such options.”

By Order of the Board
Chi Chung Chan
Company Secretary

Hong Kong
28th April, 2005

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member.
2. A form of proxy for the meeting is enclosed with the annual report of the Company for the year ended 31st December, 2004 sent to shareholders of the Company. In order to be valid, the form of proxy, together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the registered office of the Company at 24/F., CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. The register of members of the Company will be closed from 13th June, 2005 to 17th June, 2005 both days inclusive, during which period no transfers of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrars, Secretaries Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration not later than 4:00 p.m. on 10th June, 2005.
4. The retiring Directors standing for re-election under item 3 are Mr Horst Julius Pudwill, Mr Vincent Ting Kau Cheung, Mr Christopher Patrick Langley and Mr Manfred Kuhlmann. Details of the retiring Directors standing for re-election will be sent to shareholders of the Company together with the annual report of the Company for the year ended 31st December, 2004.
5. An explanatory statement containing further details regarding item 6 will be sent to shareholders of the Company together with the annual report of the Company for the year ended 31st December, 2004.

As at the date hereof, the Board comprised four Group Executive Directors, namely, Mr Horst Julius Pudwill (Chairman and Chief Executive Officer), Mr Roy Chi Ping Chung (Managing Director), Mr Patrick Kin Wah Chan and Mr Frank Chi Chung Chan, two non-executive Directors, namely, Dr Akio Urakami and Mr Vincent Ting Kau Cheung and three independent non-executive Directors, namely, Mr Joel Arthur Schleicher, Mr Christopher Patrick Langley and Mr Manfred Kuhlmann.

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