

TECHTRONIC INDUSTRIES DELIVERS EXCEPTIONAL FIRST HALF SALES GROWTH

(Hong Kong, Aug 11, 2021) - Hong Kong-based global power equipment and floorcare company Techtronic Industries Co. Ltd. (“TTI” or the “Group”) (stock code: 669, ADR symbol: TTNDY) announced its results for the six months ended June 30, 2021. The Group delivered extraordinary results for the first half of 2021, growing sales by 52.0% to US\$6.4 billion. Gross margin improved for the 13th consecutive first half to 38.6%, and the growth in EBIT, net profit, and earnings per share all outpaced sales growth. EBIT increased 57.4% to US\$572 million, net profit rose 57.9% to US\$524 million, and earnings per share increased 57.8% to approximately US28.62 cents per share.

- Exceptional sales growth of 52.0%
- Sales growth of 71.5% over two years, compared to the first half of 2019
- Strong sales growth across all businesses and geographies
- Gross margin improved for the 13th consecutive first half to 38.6%, up 58 basis points
- Net profit growth of 57.9% to US\$524 million

Financial Performance Highlights for 1H 2021

	2021* US\$'	2020 US\$'	
	million	million	Changes
Revenue	6,394	4,206	+52.0%
Gross profit margin	38.6%	38.0%	+58 bps
EBIT	572	363	+57.4%
Profit attributable to Owners of the Company	524	332	+57.9%
Basic earnings per share (US cents)	28.62	18.14	+57.8%
Interim dividend per share (approx. US cents)	10.94	6.82	+60.4%

*For the six-month period ended June 30, 2021

Working capital as a percent of sales finished at 18.3%, below TTI’s goal of 20.0% or less. The Group continues to strategically build inventory to support its exceptional above market growth, to serve its customers with consistently high service levels, and to insulate the company from potential critical component shortages.

The TTI Power Equipment segment delivered sales growth of 55.3% to US\$5.8 billion. All geographies and business units contributed to this stellar performance in the first half of 2021. The flagship Milwaukee business delivered an astounding 64.1% growth globally. RYOBI performed exceptionally well across all brands with solid double-digit growth in all categories and geographies. In addition, the Floorcare & Cleaning business accounted for 9.0% of total TTI sales, with sales increasing 25.3% to US\$574 million.

Mr. Horst Pudwill, Chairman of TTI, said, “At TTI, we have built an exceptional world-class team and we would like to recognize our outstanding global organization for delivering strong results. We are proud of the bold, strategic decisions we have made over the past 18 months to position ourselves for a strong second half of 2021.”

Mr. Joseph Galli, CEO of TTI, commented, “TTI’s first half results clearly demonstrate our leadership position, our momentum, and our future potential. Our high-speed new product machine allows us to expand the market and capture market share, while we continue to improve gross margin to record levels.”

About TTI

Founded in 1985 and listed on the Stock Exchange of Hong Kong Limited in 1990, TTI is a world leader in cordless technology spanning Power Tools, Outdoor Power Equipment, Floorcare Cleaning Products and Solutions for the consumer, professional, and industrial users in the home, construction, maintenance, industrial and infrastructure industries. The Company has a foundation built on four strategic drivers – Powerful Brands, Innovative Products, Exceptional People and Operational Excellence - reflecting a long-term expansive vision to advance cordless technology. The global growth strategy of the relentless pursuit of product innovation has brought TTI to the forefront of its industries. TTI’s powerful brand portfolio includes MILWAUKEE, AEG and RYOBI power tools, accessories and hand tools, RYOBI and HOMELITE outdoor products, EMPIRE layout and measuring products, and HOOVER, ORECK, VAX and DIRT DEVIL floorcare cleaning products and solutions.

TTI is one of the constituent stocks of the Hang Seng Index, FTSE RAFI™ All-World 3000 Index, FTSE4Good Developed Index and MSCI ACWI Index. For more information, please visit www.ttigroup.com.

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