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TECHTRONIC INDUSTRIES COMPANY LIMITED

創科實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 669)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE REAFFIRMING SECOND HALF 2023 SALES TARGETS

This announcement is made by Techtronic Industries Company Limited (the “Company” or “TTI”, and together with its subsidiaries, the “Group”) on a voluntary basis to keep its shareholders and potential investors informed of the Group’s latest business developments since our interim results announcement for the six-month period ended June 30, 2023, published on August 9, 2023 (the “2023 Interim Results Announcement”).

Based on the strength of our third quarter sales, we are increasingly confident in our mid-single digit revenue growth target for the second half of 2023, as provided at the time of the 2023 Interim Results Announcement, Analyst and Investor Webcast in August 2023, with a potential to modestly exceed these expectations. All major business units and geographic regions have continued to contribute to our strong performance in the third quarter of 2023.

Our flagship Milwaukee business continues to outperform and has accelerated from our first half of 2023 growth levels of +9%. We are excited about the opportunities in our professional business and continue to strategically invest in Milwaukee to fuel our double-digit growth target in the second half of 2023 and beyond.

Our Consumer business remains in line with the first half of 2023, in part driven by continued inventory reduction initiatives and higher promotional expense. We have taken a cautious and targeted approach to new investments in our Consumer business while strategically managing down working capital, non-strategic SG&A and structural overhead.

We are well on track to meet our internal target of nearly US\$1 billion in free cash flow for the full year 2023 compared with US\$329 million for the full year 2022 and remain focused on further reducing overall inventory while driving improvements in working capital management.

Recently our major customer, The Home Depot, recognized our outstanding performance in both the Milwaukee and Consumer businesses by awarding us an unprecedented three Partner of the Year awards. This demonstrates the strength of our Home-Center exclusive relationship with The Home Depot, and our shared commitment to expand and gain market share.

We look forward to sharing our 2023 full year results in March 2024.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Techtronic Industries Company Limited
Veronica Ka Po Ng
Company Secretary

Hong Kong, October 23, 2023

As at the date of this announcement, the Board comprises five Group Executive Directors, namely Mr. Horst Julius Pudwill (Chairman), Mr. Stephan Horst Pudwill (Vice Chairman), Mr. Joseph Galli Jr. (Chief Executive Officer), Mr. Patrick Kin Wah Chan and Mr. Frank Chi Chung Chan, two Non-executive Directors, namely, Prof. Roy Chi Ping Chung GBS BBS JP and Mr. Camille Jojo and five Independent Non-executive Directors, namely, Mr. Peter David Sullivan, Mr. Johannes-Gerhard Hesse, Mr. Robert Hinman Getz, Ms. Virginia Davis Wilmerding and Ms. Caroline Christina Kracht.