TECHTRONIC INDUSTRIES COMPANY LIMITED
創 科 實 業 有 限 公 司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 669)

ANNOUNCEMENT OF RESULTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026

The board of directors (the “Directors” or the “Board”) of Techtronic Industries Company Limited (“TTI” or the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (together, the “Group”) for the six-month period ended June 30, 2026 together with the comparative figures in 2025.

- TTI delivered record first half results in 2026, with revenue growing 5.9% to US$8.3 billion and net profit increasing 17.5% to US$738 million.
- Our global MILWAUKEE business grew 10.5% on an underlying basis in local currency, after adjusting for the planned 2025 timing impact related to the MILWAUKEE Americas ERP system conversion.
- RYOBI, the #1 global consumer cordless tool and outdoor products brand, grew 1.7% in local currency to US$1.9 billion in the first half of 2026.
- EBIT margin expanded 86 basis points to a record high 9.9%, up from 9.1% in the first half of 2025. More importantly, we are well positioned to meet or exceed our internal target of 10.0% EBIT margin by 2027.
- We delivered US$753 million of free cash flow in the first half of 2026 and we are on track for another strong free cash flow performance in the second half.
- The Company commenced its US$500 million automatic share repurchase plan following authorization and approval in June 2026.

HIGHLIGHTS	**2026 US$' million**	2025 US$' million	**Changes**
Revenue	**8,292**	7,833	**+5.9%**
Gross profit margin	**42.9%**	40.3%	**+258 bps**
EBIT	**822**	709	**+15.9%**
Profit attributable to Owners of the Company	**738**	628	**+17.5%**
Basic Earnings per share (US cents)	**40.50**	34.37	**+17.8%**
Free Cash Flow	**753**	468	**+285 m**
Interim dividend per share (approx. US cents)	**19.31**	16.09	**+20.0%**

INTERIM DIVIDEND

The Directors have resolved to declare an interim dividend of HK150.00 cents (approximately US19.31 cents) (2025: HK125.00 cents (approximately US16.09 cents)) per share for the six-month period ended June 30, 2026. The interim dividend will be paid to shareholders listed on the register of members of the Company on September 4, 2026, being the record date for determining shareholders' entitlement to the proposed interim dividend. It is expected that the interim dividend will be paid on or about September 18, 2026.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Review of Operations

TTI delivered record first half sales of US$8.3 billion for the six-month period ended June 30th, growing 5.9% on a reported basis, including 1.9 points of growth from favorable foreign exchange.

In the Americas, including the United States, Canada, Mexico, Central America, and South America, sales grew 4.3% in local currency, or 6.8% on an underlying basis. EMEA grew 2.8% in local currency with outstanding double-digit growth in MILWAUKEE offset by a slower consumer Outdoor season and sales rationalization in the noncore business. Rest of World, comprising of Australia, New Zealand, and Asia, rose 3.7% in local currency.

MILWAUKEE and RYOBI both delivered a strong performance in the first half of 2026, growing at a combined 8.2% underlying growth rate in local currency. Our noncore businesses, representing 6.6% of global revenue, declined 19.4% in local currency, driven mainly by our actions to exit the HART business in 2025 and by market softness and continued sales rationalization in our other consumer businesses.

Gross margin expanded 258 basis points to a record 42.9% in the first half of 2026. Normalized first half 2025 gross margin was 41.2% after adjusting for the excess tariff rates incurred at peak levels and the exit of the HART business. The 2026 gross margin expansion of 163 basis points was driven from the annualization of our tariff-mitigation efforts such as optimizing production, productivity gains, and supplier partnerships. These actions, combined with additional margin accretion across our EMEA and Australia regions, favorable mix toward our higher-profitability core businesses, margin expansion from strong MILWAUKEE performance in products serving the high-growth technology, energy & manufacturing end-market, and continued improvement in our noncore businesses, more than offset higher commodity prices during this period.

As a percentage of sales, total SG&A expenses increased by 173 basis points to 33.0%. The ratio was closely in line with the second half of 2025 after excluding the HART exit costs. Relative to the first half of 2025, the increase reflects continued investment in new product development, field resources, increased commercialization activities and write-offs of intangible assets related to the rationalization of underperforming categories.

EBIT grew 15.9% to US$822 million, while EBIT margin increased 86 basis points to 9.9%.

Net Profit increased 17.5% to US$738 million due to lower net finance costs, and earnings per share rose 17.8% to US40.50 cents.

Working capital as a percentage of sales improved 11 basis points from last year to 16.6%. Inventory days on hand decreased 3 days to 100 days, receivables decreased 5 days to 55 days, while payables decreased 8 days at 94 days.

Capex spend for the first six months of 2026 was US$92 million, essentially flat with the first six months of 2025. This spend includes investments in new products, manufacturing network rebalancing, automation and productivity initiatives around the globe. Including our planned capacity expansions in Vietnam and the Americas over the next 12-18 months, we expect capital spending to remain broadly stable on a percentage of sales basis in coming years.

The Company generated US$753 million in positive Free Cash Flow in the first six months of 2026, ending the period in a US$1.066 billion net cash position. The strength and consistency of our free cash flow leaves TTI well positioned to continue investing and growing the business, while increasing returns to shareholders.

In June 2026, TTI commenced its automatic share repurchase plan of up to US$500 million over the next 18 months. Through the end of July, we have repurchased US$42 million of stock pursuant to the plan. TTI's capital allocation strategy is designed to strengthen our core business, expand enterprise value, and deliver attractive returns to shareholders over the long term. Our top priority is to invest in our core businesses to drive sustainable growth and continued profit margin expansion. We also take a balanced approach to evaluating strategic acquisitions to create growth opportunities and synergies with our existing core businesses to unlock shareholder value. The Board also assesses opportunities for increasing shareholder return through our dividend policy and structured share repurchase programs, while maintaining working capital requirements and prudent cash management.

BUSINESS REVIEW

During the period, the Group reviewed the structure and internal organization and confirmed that its operations are managed using a combination of end user and brand platform perspectives. Consequently, the Group's reportable segment structure is changed from the previous business segments of "Power Equipment" and "Floorcare and Cleaning" to the newly defined segments of "Professional" and "Consumer".

- **Professional**: Sales of professional power tools, accessories, outdoor power equipment and accessories, commercial equipment, personal protective equipment (PPE), storage, hand tools and related products for professional trades, industrial, and commercial end users. The segment includes products designed for high performance applications and is serving our professional customers, through the MILWAUKEE brand along with other brands.

- **Consumer**: Sales of consumer power tools, outdoor products, floorcare products, and related accessories for retail and household end users. The segment includes offerings across a range of price points and product categories and is marketed through consumer channels through RYOBI, AEG, HOOVER, VAX and other brands serving the consumer channel.

PROFESSIONAL

The Professional segment delivered sales of US$5.9 billion in the first half of 2026, an increase of 9.7% in reported currency. EBIT increased 16.0% with EBIT margin rising 57 basis points to 10.5%.

By region, the Americas grew 10.5% on an adjusted local currency basis, EMEA grew 10.5%, and Rest of World grew 9.9% in local currency. Performance was driven by continued strength across our major businesses, with personal protective equipment (PPE) strongly outperforming the portfolio average. Demand for productivity and safety solutions remains strong across the diverse work environments where our core users complete their jobs. These include active jobsites, data centers, prefabrication facilities, automotive shops and commercial and residential facilities.

MILWAUKEE continues its unwavering commitment to the skilled trades. Structural labor shortages in many of our core trades including mechanical, electrical, plumbing, transportation maintenance and utility are increasing end-user demand for solutions that enhance productivity and safety across work environments that demand greater speed, precision and scale across the globe. For example, the U.S. automotive industry currently faces an annual shortfall of trained service technicians, while the U.S. is projected to require roughly 81,000 electrician openings annually over the next decade to meet workforce demand, according to the U.S. Bureau of Labor Statistics and industry trade partners.

These labor constraints reinforce the opportunity for MILWAUKEE to develop innovative solutions that help skilled professionals work safer, faster, and more productively. Our solution-driven approach and deep partnerships with our core trades, labor organizations, training centers, and project owners enable us to develop solutions directly with users that they not only trust but increasingly specify into their work. This positions MILWAUKEE to benefit as projects become more complex, and the need for productivity and safety solutions continues to grow.

A recent example of this opportunity is within our Transportation Maintenance core trade vertical, which spans commercial and passenger vehicle aftermarket service, aviation and rail. As the average vehicle on the road continues to age, demand for service and maintenance remains strong. Meanwhile, pneumatic tools still represent a significant portion of the market, creating meaningful opportunity for cordless conversion. The launch of the M18 FUEL STRIKER Hammer Chisel — the world's first cordless hammer chisel — demonstrates how MILWAUKEE leverages deep user insights and technology leadership to deliver breakthrough innovation that improves productivity and safety while deepening our entrenchment within an existing core trade vertical. This is a powerful example of how we continue to drive growth within our Service & Maintenance end market by solving unmet user needs and accelerating conversion from legacy pneumatic technologies to cordless solutions.

A second example of this opportunity is within our Utility core trade, which includes power, water, and gas, and is benefiting from increased investment driven by rapid data center growth, rising power demand, and grid hardening and modernization initiatives across our growing Technology, Energy and Manufacturing end market. Workflows continue to evolve as investment accelerates across power generation, transmission, distribution, and utility infrastructure. This leads to greater demand for technology solutions that enhance productivity, safety, and precision from a constrained skilled labor workforce. MILWAUKEE is uniquely positioned through 10+ years of sustained investment in utility-focused innovation, deep relationships with utilities, contractors, labor organizations, and equipment manufacturers, and broad workflow coverage across the utility value chain.

The launch of the MX FUEL Electrofusion Processor is a recent example of how we leverage deep user insights and technology leadership to expand into critical gas utility workflows. By eliminating the need for generators and extension cords while delivering faster setup, greater mobility, and simplified reporting capabilities, the solution is opening new opportunities within the gas utility segment. Complementing this innovation is ONE-KEY, the industry's largest IoT-connected platform, helping Utility contractors improve productivity, increase asset visibility, and document and manage critical workflows across increasingly complex projects. Together, these solutions deepen our entrenchment across the broader Utility core trade and expand our participation across the energy value chain.

CONSUMER

The Consumer segment delivered sales of US$2.4 billion in the first half of 2026, a decrease of 2.5%. RYOBI grew 1.7% in local currency while the Other Consumer brands declined 19.4% in local currency due to the HART exit and streamlining of Floorcare and other consumer brands. Consumer profitability expanded meaningfully, with EBIT increasing 15.8% and EBIT margin rising 133 basis points to a healthy 8.5%, reflecting the benefits of the HART exit and greater profitability discipline across our other brands.

RYOBI delivered strong results in Power Tools, with sales up mid-single digits. This was partially offset by a softer Outdoor season, where sales were roughly flat, reflecting challenging weather conditions across EMEA and parts of the U.S, coupled with the timing of seasonable load-ins.

We remain focused on growing our strategic cordless battery platforms, USB Lithium, 18V ONE+, and 40V where we hold the largest installed base of users globally. This base continues to expand as customers add to their RYOBI collections, with millions of new users joining each year. This scale, together with our commitment to preserving system compatibility and delivering innovative new products, provides a strong foundation for sustained future growth.

In 2026, we continued to extend our leadership position as the #1 global consumer cordless tool and outdoor products brand with the addition of the new RYOBI 18V ONE+ EDGE 8Ah and 12Ah tabless batteries. RYOBI 18V ONE+ EDGE batteries give all ONE+ users an instant upgrade: more power, more run-time while running cooler, and charging faster with longer life. When paired with the recently launched Gen 2 18V ONE+ HP Brushless 1/2” Hammer Drill, users unlock a higher level of performance, empowering them to take on new applications that can be done faster and more efficiently.

In our Outdoor business, we launched “all-new” next generation 40V 20” mowers and 40V 21” ALL WHEEL DRIVE mowers, delivering the industry’s best cutting experience, giving users more power and performance than gas, without the maintenance headaches. In addition, we launched the industry’s most powerful 40V HP Brushless 17” Attachment Capable String Trimmer delivering industry leading power and performance while ensuring compatibility with RYOBI’s EXPAND-IT platform; giving the user the ultimate combination of power and versatility. We also launched the industry’s most powerful platform of battery powered LITHIUM Riding Lawn Mowers. Products like these enable the conversion of traditional petrol-powered products to the next generation of RYOBI battery powered products.

In addition to strengthening our core product lines, the RYOBI business continues to gain market share through expansion into new categories such as cleaning, lifestyle and recreation, and hobby/craft. With the addition of the all-new 18V ONE+ HP Brushless Hybrid 9” Oscillating Fan and the 40V HP Brushless Hybrid 18” Misting Air Cannon — the world’s most powerful misting fan, delivering exceptional cooling capabilities — RYOBI now offers a total of 13 air movement products within the lifestyle category, reaching consumers of all types. Our success in expanding into new categories allows the RYOBI business to grow at a healthy pace despite modest US housing turnover.

RYOBI continues to work and grow with the best distribution partners in the industry. From The Home Depot in North America, to Bunnings in the Australia/New Zealand region, to our top European retail partners, we are well positioned to deepen these relationships and further grow the business within these markets. In addition, we are in the early stages of developing expansion opportunities in Latin America and Asia.

Lastly, we have continued to diversify our supply chain, delivering greater flexibility and an improved cost position while enhancing the profitability of the Consumer business and strengthening our competitiveness in the global market.

FINANCIAL REVIEW

Financial Results

Reported revenue for the period grew by 5.9% as compared to the same period last year, amounting to US$8,292 million. EBIT amounted to US$822 million, an increase of 15.9% as compared to the US$709 million reported in the same period last year.

Profit attributable to Owners of the Company amounted to US$738 million as compared to US$628 million reported in the same period last year, an increase of 17.5%.

Basic earnings per share was at US40.50 cents (2025: US34.37 cents), an increase of 17.8%.

Result Analysis

Gross Margin

Gross margin improved to 42.9% as compared to 40.3% reported in the same period last year. The margin improvement was the result of annualized tariffs mitigation efforts, additional margin accretion across EMEA and Australia, strong Milwaukee performance, focused profitability on consumer brands and operational improvements across all global manufacturing operations.

Operating Expenses

Total operating expenses for the period amounted to US$2,739 million as compared to US$2,452 million reported for the same period last year, a 11.7% increase. The increase was mainly due to our strategic investments and promotion activities in new products and technologies.

Our R&D expenses amounted to US$383 million, representing 4.6% of revenue (2025: 4.6%) reflecting our continuous focus on innovation, new products and technology. We will continue to invest in breakthrough technology and deliver broad base end-user products and categories as these are most critical, not only to maintain sales growth momentum, but also margin expansion.

Net interest expenses for the period amounted to US$19.6 million as compared to US$27.8 million reported for the same period last year, a 29.4% decrease. The decrease in net interest expenses is the result of our efficient management of financial resources.

The effective tax rate for the period was at 8.0% (2025: 7.8%). The Group will continue to leverage its global operations and align its strategy to manage various tax policy changes globally to sustain our overall tax efficiencies.

Liquidity and Financial Resources

Shareholders' Funds

Total shareholders' funds amounted to US$7.4 billion, an increase of 7.0% as compared to December 31, 2025. Book value per share was US$4.07 as compared to US$3.80 at December 31, 2025, an increase of 7.1%.

Financial Position

The Group continued to maintain a strong financial position. As at June 30, 2026, the Group's cash and cash equivalents amounted to US$1,889 million (US$1,678 million at December 31, 2025) of which 38.9%, 33.6%, 9.6%, and 17.9% were denominated in USD, EUR, AUD and other currencies respectively.

The Group generated Free Cash Flow of US$753 million during the period as compared to US$468 million for same period last year (Free Cash Flow equals to net cash from operating activities, less purchase of property, plant and equipment, less additions to intangible assets, and add proceeds from disposal of property, plant and equipment).

The Group's net gearing, expressed as a percentage of total net borrowings (excluding bank advance from factored trade receivables which are without recourse in nature) to equity attributable to Owners of the Company, was maintained at net cash of US$1.1 billion as at June 30, 2026.

Bank Borrowings

Long term borrowing accounted for 54.5% of total debts (64.4% at December 31, 2025).

The Group's major borrowings continued to be in USD. Borrowings are predominantly Secured Overnight Financing Rate ("SOFR") based. There is a natural hedge mechanism in place as the Group's major revenues are in USD and currency exposure therefore is low. Currency, interest rate exposure, and cash management functions are all being closely monitored and managed by the Group's treasury team.

Amongst the bank borrowings, fixed rate debts account for 80.0% of the total bank borrowings, the balance being floating rate debts.

Working Capital

Total inventory was at US$4,315 million as compared to US$4,293 million as at June 30, 2025. Inventory days decreased by 3 days from 103 days to 100 days. Finished goods inventory decreased by 6 days while raw material inventory increased by 4 days to 17 days and work in progress inventory decreased by 1 day to 2 days when compared to the same period last year.

Trade receivables turnover days were 55 days as compared to 60 days as at June 30, 2025. The Group is comfortable with the quality of the receivables and will continue to exercise due care in managing credit exposure.

Trade payables days were 94 days as compared to 102 days as at June 30, 2025.

Working capital as a percentage of sales was at 16.6% as compared to 16.8% for the same period last year.

Capital Expenditures

Total capital expenditures for the period amounted to US$92 million (2025: US$96 million) representing 1.1% of sales.

Capital Commitments and Guarantees

As at June 30, 2026, total capital commitments for the acquisition of property, plant and equipment and equity investment contracted for but not provided amounted to US$181 million (At December 31, 2025: US$153 million), and there were no material guarantees or off balance sheet obligations.

Charges

None of the Group's assets are charged or subject to encumbrance.

HUMAN RESOURCES

The Group employed a total of 47,575 employees (47,539 employees as at June 30, 2025) globally. Total staff cost for the period under review amounted to US$1,510 million as compared to US$1,436 million in the same period last year.

The Group regards human capital as vital for the Group's continuous growth and profitability and remains committed to improve the quality, competence and skills of all employees. It provides job-related training and leadership development programs throughout the organization. The Group continues to offer competitive remuneration packages, discretionary share options, share awards and bonuses to eligible staff, based on the performance of the Group and the individual employee.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF THE LISTING RULES

The Company has complied with all the code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six-month period ended June 30, 2026, save that:

1. none of the Directors are appointed for a specific term since they are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. Under Article 107(A) of the Articles of Association of the Company, one-third of the Board must retire by rotation at each annual general meeting of the Company, and if eligible, offer themselves for re-election; and

2. code provision F.1.3 of the CG Code stipulates that the chairman of the board should attend the annual general meeting. Mr. Horst Julius Pudwill (Executive Chairman of the Board and the Chairman of the Nomination Committee) was unable to attend the annual general meeting of the Company held on May 8, 2026 (the "2026 Annual General Meeting"). Mr. Stephan Horst Pudwill (Executive Vice Chairman of the Board) was invited, and he accepted, to chair the 2026 Annual General Meeting in accordance with Article 73 of the Articles of Association of the Company and members of the Nomination Committee were invited to attend and were available to answer questions at the 2026 Annual General Meeting.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Board has adopted the provisions of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the "Model Code"). Specific enquiries have been made with all Directors who have confirmed that they have fully complied with the required standards as set out in the Model Code during the six-month period ended June 30, 2026.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed with the Company's independent auditor, Deloitte Touche Tohmatsu, and the senior management of the Group the unaudited financial statements of the Company for the six-month period ended June 30, 2026, the accounting principles and practices adopted by the Group and the internal controls and financial reporting matters. The Board acknowledges its responsibility for the preparation of the accounts of the Group.

PURCHASE, SALES OR REDEMPTION OF SECURITIES

On June 1, 2026, the Company entered into a letter agreement with an independent broker, The Hongkong and Shanghai Banking Corporation Limited (the "Broker"), pursuant to which the Broker or its affiliate (which will be an Exchange Participant (as defined under the Listing Rules)) will repurchase ordinary shares on the Stock Exchange for a pecuniary amount up to US$500 million in accordance with the predetermined parameters as set out under the Broker Agreement (the "Automatic Share Repurchase Program") (details of which will be set out in the "Corporate Governance and Other Information" section to be included in the Company's 2026 Interim Report).

Other than 1,230,000 shares and 6,000 shares of the Company purchased on-market by the trustee for satisfying the awarded shares granted under the Company's share award scheme and the Company's employee equity incentive plan respectively (details of which will be set out in the "Corporate Governance and Other Information" section to be included in the Company's 2026 Interim Report), a total of 2,289,500 ordinary shares (of which 1,989,500 shares were bought back pursuant to the Automatic Share Repurchase Program) were bought back by the Company during the period at prices ranging from HK$106.70 to HK$129.70 per share. Among these shares bought back by the Company, 2,061,500 shares were settled and cancelled during the period and 196,000 shares and 32,000 shares were cancelled on July 9, 2026 and July 22, 2026 respectively. The consideration paid by the Company for such buy-backs of the shares of approximately US$34,470,000 was charged to retained profits.

The shares bought back were cancelled subsequently and accordingly the issued share capital of the Company was reduced. The buy-backs of the Company's shares during the period were effected by the Directors pursuant to the mandate granted by shareholders at the previous annual general meeting of the Company, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company.

During the period, no issue of shares nor sale of treasury shares for cash (other than under a share scheme that complies with Chapter 17 of the Listing Rules), and thus no proceeds were derived from such issue or sale. Except as disclosed above, neither the Company nor any of its subsidiaries has, during the period, purchased, sold or redeemed any listed securities of the Company. As at June 30, 2026, the Company did not hold any treasury shares.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from September 3, 2026 to September 4, 2026, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrars, Tricor Investor Services Limited, whose office is presently situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:00 p.m. on September 2, 2026.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the Company's website (www.ttigroup.com) and the HKExnews website (www.hkexnews.hk) of Hong Kong Exchanges and Clearing Limited. The 2026 Interim Report of the Company containing all the information required by the Listing Rules will be dispatched to the shareholders and available on the above websites in due course.

OUTLOOK

With the #1 Professional and Consumer brands in the world, TTI is poised to deliver another outstanding year in 2026. Our overall revenue growth assumptions for 2026 are unchanged – on a blended basis we expect the core MILWAUKEE and RYOBI businesses to grow at a mid-to-high single digit pace. In 2026, this will be partially offset by the voluntary exit of the HART business (US$156 million in 2025) and continued rationalization of our noncore businesses.

As the market leader, the Company is not only committed to growing revenue at a significantly faster pace than the industry, TTI is also committed to driving more of that top line growth to the bottom line for achieving sustained earnings growth in the coming years. After delivering a 9.9% EBIT margin in the first six months of 2026, we have an increased level of confidence in our ability to meet or exceed our internal target of 10.0% EBIT margin by 2027 with further upside in 2028 and beyond. TTI is also raising its internal target for free cash flow outlook from over US$1.0 billion to over US$1.3 billion in 2026.

With the best people and strongest culture, deepest relationships with the core trades, the most robust product roadmap, and the healthiest balance sheet in TTI's history, TTI is poised to continue leading the industry in the years to come.

By order of the Board
Horst Julius Pudwill
Executive Chairman

Hong Kong, August 4, 2026

As at the date of this announcement, the Board comprises five Group Executive Directors, namely Mr. Horst Julius Pudwill (Executive Chairman), Mr. Stephan Horst Pudwill (Executive Vice Chairman), Mr. Steven Philip Richman (Chief Executive Officer), Mr. Frank Chi Chung Chan and Mr. Camille Jojo, and eight Independent Non-executive Directors, namely, Mr. Peter David Sullivan, Mr. Johannes-Gerhard Hesse, Mr. Robert Hinman Getz, Ms. Virginia Davis Wilmerding, Ms. Caroline Christina Kracht, Mr. Andrew Philip Roberts, Ms. Karen Ka Fai Ng and Mr. Stephen Tsi Chuen Wong.

This results announcement is published on the website of the Company (www.ttigroup.com) and the HKExnews (www.hkexnews.hk).

RESULTS SUMMARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six-month period ended June 30, 2026

	Notes	**2026** **US$'000** **(Unaudited)**	2025 US$'000 (Unaudited)
Revenue	3 & 4	**8,291,607**	7,833,083
Cost of sales		**(4,737,105)**	(4,677,276)
Gross profit		**3,554,502**	3,155,807
Other income		**6,851**	5,258
Interest income		**14,951**	29,901
Selling, distribution and advertising expenses		**(1,583,157)**	(1,349,828)
Administrative expenses		**(773,013)**	(742,934)
Research and development costs		**(383,044)**	(359,158)
Finance costs		**(34,543)**	(57,657)
Profit before share of result of an associate and taxation		**802,547**	681,389
Share of result of an associate		**69**	107
Profit before taxation		**802,616**	681,496
Taxation charge	5	**(64,209)**	(53,157)
Profit for the period attributable to Owners of the Company	6	**738,407**	628,339
Other comprehensive income (loss):			
Items that may be reclassified subsequently to profit or loss, net of related income tax:			
Fair value gain (loss) on foreign currency forward contracts and cross-currency interest rate swaps in hedge accounting		**88,512**	(190,995)
Exchange differences on translation of foreign operations		**(6,856)**	163,539
Other comprehensive income (loss) for the period		**81,656**	(27,456)
Total comprehensive income for the period		**820,063**	600,883
Total comprehensive income attributable to Owners of the Company		**820,063**	600,883
Earnings per share (US cents)	8		
Basic		**40.50**	34.37
Diluted		**40.29**	34.29

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at June 30, 2026

	Notes	**June 30 2026 US$'000 (Unaudited)**	December 31 2025 US$'000 (Audited)
Non-current assets			
Property, plant and equipment	9 & 16	**2,152,946**	2,244,108
Right of use assets	9	**653,823**	739,047
Goodwill		**605,834**	606,699
Intangible assets	9	**1,179,121**	1,247,924
Interest in an associate		**2,084**	2,015
Financial assets at fair value through profit or loss		**8,789**	8,790
Finance lease receivables		**61,135**	-
Deposits		**47,770**	69,000
Derivative financial instruments		**8,800**	8,800
Deferred tax assets		**82,616**	82,521
		4,802,918	5,008,904
Current assets			
Inventories		**4,315,080**	4,451,941
Right to returned goods asset		**14,304**	12,209
Trade and other receivables	10	**2,421,965**	2,005,331
Deposits and prepayments		**206,196**	193,542
Bills receivable	10	**16,715**	11,009
Finance lease receivables		**6,580**	3,721
Tax recoverable		**15,800**	13,510
Trade receivables from an associate	11	**16,442**	11,071
Derivative financial instruments		**64,353**	8,287
Financial assets at fair value through profit or loss		**28,990**	31,750
Bank balances, deposits and cash		**1,889,242**	1,677,729
		8,995,667	8,420,100
Current liabilities			
Trade and other payables	12	**4,067,645**	4,019,452
Bills payable	12	**13,749**	13,201
Warranty provision		**300,100**	287,327
Tax payable		**168,767**	133,039
Derivative financial instruments		**20,573**	52,973
Lease liabilities		**148,952**	155,024
Discounted bills with recourse		**-**	2,589
Unsecured borrowings - due within one year	13	**374,430**	345,063
Refund liabilities from right of return		**26,168**	25,153
		5,120,384	5,033,821
Net current assets		**3,875,283**	3,386,279
Total assets less current liabilities		**8,678,201**	8,395,183

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued
As at June 30, 2026

	Notes	**June 30 2026 US$'000 (Unaudited)**	December 31 2025 US$'000 (Audited)
Capital and reserves			
Share capital	14	**706,147**	691,887
Reserves		**6,740,975**	6,266,567
Equity attributable to Owners of the Company and total equity		**7,447,122**	6,958,454
Non-current liabilities			
Lease liabilities		**602,045**	626,586
Unsecured borrowings - due after one year	13	**448,343**	629,671
Retirement benefit obligations		**44,735**	45,713
Other payables	12	**104,905**	103,732
Deferred tax liabilities		**31,051**	31,027
		1,231,079	1,436,729
Total equity and non-current liabilities		**8,678,201**	8,395,183

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended June 30, 2026

	June 30 2026 US$'000 (Unaudited)	June 30 2025 US$'000 (Unaudited)
Operating Activities		
Profit before taxation	**802,616**	681,496
Adjustments for:		
Amortization/write-off of intangible assets	**212,534**	138,093
Depreciation of property, plant and equipment	**142,692**	136,866
Depreciation of right of use assets	**83,125**	83,407
Fair value (gain) loss on foreign currency forward contracts	**(11)**	8,992
Fair value loss (gain) on listed equity securities	**2,760**	(569)
Finance costs	**34,543**	57,657
Gain on sublease and early termination of leases	**(5,110)**	(56)
Impairment loss of property, plant and equipment	**17,662**	-
Impairment loss on trade receivables under expected credit loss model	**9,116**	8,983
Interest income	**(14,951)**	(29,901)
Loss on disposal of property, plant and equipment	**20,258**	64
Share-based payments expense	**20,526**	17,688
Share of result of an associate	**(69)**	(107)
Write down of inventories	**31,217**	39,007
Operating cash flows before movements in working capital	**1,356,908**	1,141,620
Decrease (increase) in inventories	**111,530**	(193,392)
Increase in trade and other receivables, deposits and prepayments	**(421,592)**	(516,400)
(Increase) decrease in right to returned goods asset	**(2,095)**	2,830
Increase in bills receivable	**(5,706)**	(112)
Increase in trade receivables from an associate	**(5,371)**	(3,340)
Increase in trade and other payables	**18,613**	403,299
Increase (decrease) in refund liabilities from right of return	**1,015**	(2,702)
Increase (decrease) in bills payable	**548**	(3,164)
Increase in warranty provision	**13,828**	10,051
(Decrease) increase in retirement benefit obligations	**(978)**	7,168
Net payment for purchase of shares for share award scheme	**(17,779)**	(33,388)
Cash generated from operations	**1,048,921**	812,470
Interest paid	**(34,543)**	(57,657)
Hong Kong Profits Tax paid	**(170)**	(7)
Overseas tax paid	**(30,532)**	(35,970)
Overseas tax refunded	**890**	272
Net Cash from Operating Activities	**984,566**	719,108

CONSOLIDATED STATEMENT OF CASH FLOWS - continued

For the six-month period ended June 30, 2026

	Note	**June 30 2026 US$'000 (Unaudited)**	June 30 2025 US$'000 (Unaudited)
Investing Activities			
Additions to intangible assets		**(143,763)**	(156,095)
Interest received		**14,951**	29,901
(Payment for) proceeds from early termination of leases		**(110)**	3
Proceeds from disposal of property, plant and equipment		**3,711**	874
Purchase of club membership debentures		**-**	(32)
Purchase of listed equity securities		**-**	(1,034)
Purchase of property, plant and equipment		**(91,792)**	(95,815)
Repayment of finance lease receivables		**2,312**	4,112
Net Cash used in Investing Activities		**(214,691)**	(218,086)
Financing Activities			
(Decrease) increase in discounted bills with recourse		**(2,589)**	47,065
New unsecured borrowings obtained		**2,351,573**	3,258,487
Dividend paid		**(310,847)**	(278,154)
Proceeds from issue of shares		**11,175**	246
Repayment of unsecured borrowings		**(2,498,020)**	(3,108,373)
Repayment of lease liabilities		**(81,689)**	(81,581)
Payment for buy-back of shares	14	**(34,470)**	(15,521)
Net Cash used in Financing Activities		**(564,867)**	(177,831)
Net Increase in Cash and Cash Equivalents		**205,008**	323,191
Cash and Cash Equivalents at Beginning of the Period		**1,677,729**	1,232,347
Effect of Foreign Exchange Rate Changes		**6,505**	52,853
Cash and Cash Equivalents at End of the Period		**1,889,242**	1,608,391
Analysis of the Balances of Cash and Cash Equivalents			
Represented by:			
Bank balances, deposits and cash		**1,889,242**	1,608,391
		1,889,242	1,608,391

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Stock Exchange").

The financial information relating to the year ended December 31, 2025 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

- The Company has delivered the financial statements for the year ended December 31, 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

- The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report, and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. Material Accounting Policies Information

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value.

Other than additional/change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six-month period ended June 30, 2026 are the same as those presented in the Group's annual financial statements for the year ended December 31, 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature Dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. Segment information

Changes in Reportable and Geographical Segments

The Group determines its operating segments based on the internal management reports that are used to make strategic decisions reviewed by the chief operating decision-maker ("CODM").

During the period, the Group reviewed the structure and internal organization and confirmed that its operations are managed using a combination of end-user and brand-platform perspectives, consistent with how the CODM evaluates performance and allocates resources. The CODM evaluates performance, directs strategic investment, and allocates resources at the level of the Company's cash-generating units, consisting of the Professional end-user platform and Consumer brand-based groupings (Ryobi Consumer, Other Consumer Power Tool Brands, and Other Consumer Floorcare Brands). While regional financial information is used for operational oversight, goodwill monitoring and strategic decision-making occur at the level at which the CODM evaluates the business, being a combination of the Professional end-user platform and Consumer brand-based groupings.

Consequently, the Group's reportable segment structure is changed from the previous business segments of **"Power Equipment"** and **"Floorcare and Cleaning"** to the newly defined segments of **"Professional"** and **"Consumer"**.

- **Professional:** Sales of professional power tools, accessories, outdoor power equipment and accessories, commercial equipment, personal protective equipment (PPE), storage, hand tools and related products for professional trades, industrial, and commercial end users. The segment includes products designed for high performance applications and is serving our professional customers, through the MILWAUKEE brand along with other brands.

- **Consumer:** Sales of consumer power tools, outdoor products, floorcare products, and related accessories for retail and household end users. The segment includes offerings across a range of price points and product categories and is marketed through consumer channels through RYOBI, AEG, HOOVER, VAX and other brands serving the consumer channel.

In tandem with this internal restructuring, the Group has also revised its geographical segmentation to more accurately reflect its regional management structure and market dynamics. The previous geographical disclosures of **"North America"**, **"Europe"**, and **"Other countries"** have been restructured and are now disclosed as **"Americas"**, **"EMEA"** (Europe, Middle East, and Africa), and **"Rest of World"** (Australia, New Zealand and Asia).

In accordance with the requirements of HKFRS 8 *Operating Segments*, comparative segment information for the corresponding prior period presented for the six-month period ended June 30, 2025 has been re-presented to conform to the current year's segment composition and presentation format. This restatement has no impact on the Group's overall consolidated financial position, consolidated financial performance, or cash flows.

3. **Segment information** (continued)

The following is an analysis of the Group's revenue and results by reportable and operating segments for the period:

For the six-month period ended June 30, 2026

	Professional US$'000	**Consumer US$'000**	**Eliminations US$'000**	**Consolidated US$'000**
Segment revenue				
External sales	**5,890,811**	**2,400,796**	**-**	**8,291,607**
Inter-segment sales	**6,996**	**-**	**(6,996)**	**-**
Total segment revenue	**5,897,807**	**2,400,796**	**(6,996)**	**8,291,607**

For the six-month period ended June 30, 2025[1]

	Professional US$'000	Consumer US$'000	Eliminations US$'000	Consolidated US$'000
Segment revenue				
External sales	5,371,581	2,461,502	-	7,833,083
Inter-segment sales	11,409	-	(11,409)	-
Total segment revenue	5,382,990	2,461,502	(11,409)	7,833,083

Inter-segment sales are charged at prevailing market rates.

	Six-month period ended June 30					
	2026			2025[1]		
	Professional US$'000	**Consumer US$'000**	**Consolidated US$'000**	Professional US$'000	Consumer US$'000	Consolidated US$'000
Segment results	**618,872**	**203,336**	**822,208**	533,615	175,637	709,252
Interest income			**14,951**			29,901
Finance costs			**(34,543)**			(57,657)
Profit before taxation			**802,616**			681,496

Segment results represent the profit earned by each segment without allocation of interest income and finance costs. This is the measure reported to the executive directors of the Company for the purpose of resources allocation and performance assessment.

No analysis of the Group's assets and liabilities by operating segment is disclosed as they are not regularly provided to the chief operating decision makers for review.

[1] *A change in reportable segments is made in 2026. Comparative data have been re-presented accordingly.*

4. Revenue

An analysis of the Group's revenue is as follows:

	Six-month period ended June 30	
	2026	2025
	US$'000	US$'000
Sales of goods	**8,286,596**	7,826,450
Commission and royalty income	**5,011**	6,633
	8,291,607	7,833,083

Revenue from sales of goods is recognized at a point in time. Commission and royalty income is recognized over time.

The Group's revenue from external customers by geographical location, determined based on the location of the customers is as follows:

	Six-month period ended June 30	
	2026	2025[2]
	US$'000	US$'000
Americas	**6,187,498**	5,914,030
EMEA	**1,545,301**	1,420,211
Rest of World	**558,808**	498,842
	8,291,607	7,833,083

5. Taxation charge

	Six-month period ended June 30	
	2026	2025
	US$'000	US$'000
Current tax:		
Hong Kong Profits Tax	**(1,205)**	(815)
Overseas taxation	**(62,190)**	(53,601)
Deferred tax	**(814)**	1,259
	(64,209)	(53,157)

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both periods.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

[2] *A change in geographical segments is made in 2026. Comparative data have been re-presented accordingly.*

5. **Taxation charge** (continued)

The Group is subject to the global minimum top-up tax under Pillar Two Rules. Pillar Two Rules have become effective in Hong Kong where the Company is incorporated. The top-up tax relates to the Group's operation in the Cayman Islands, where the annual effective income tax rate is estimated to be below 15%. Therefore, a top-up tax is accrued in the current interim period using the top-up tax rate and based on the jurisdictional estimated adjusted covered taxes and net Global Anti-Base Erosion ("GloBE") income for the year. The Group has recognized current tax expenses related to the top-up tax for the six months ended June 30, 2026 which is expected to be levied on the Company.

The Group has applied the temporary mandatory exception from recognizing and disclosing deferred tax assets and liabilities for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

6. Profit for the period

	Six-month period ended June 30	
	2026	2025
	US$'000	US$'000
Profit for the period has been arrived at after charging (crediting):		
Amortization of intangible assets	**98,719**	109,262
Depreciation of property, plant and equipment	**142,692**	136,866
Depreciation of right of use assets	**83,125**	83,407
Total depreciation and amortization	**324,536**	329,535
Fair value loss (gain) on listed equity securities	**2,760**	(569)
Impairment loss on trade receivables under expected credit loss model	**9,116**	8,983
Net exchange gain	**(7,568)**	(59,292)
Write down of inventories	**31,217**	39,007
Staff costs	**1,509,758**	1,436,495

7. Dividends

A dividend of HK132.00 cents (approximately US16.99 cents) per share with a total of approximately US$310,847,000 (2025: HK118.00 cents (approximately US15.19 cents) per share with a total of approximately US$278,154,000) was paid to shareholders as the final dividend for 2025 (2025: final dividend for 2024) on June 26, 2026.

The directors of the Company have determined that an interim dividend of HK150.00 cents (approximately US19.31 cents) per share with a total of approximately US$352,805,000 (2025: HK125.00 cents (approximately US16.09 cents) per share with a total of approximately US$294,497,000) will be paid to the shareholders of the Company whose names appear in the Register of Members on September 4, 2026.

8. Earnings per share

The calculation of the basic and diluted earnings per share attributable to Owners of the Company is based on the following data:

	Six-month period ended June 30	
	2026	2025
	US$'000	US$'000
Earnings for the purposes of basic and diluted earnings per share:		
Profit for the period attributable to Owners of the Company	**738,407**	628,339

	Number of shares	
	2026	2025
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,823,306,766**	1,828,073,756
Effect of dilutive potential ordinary shares:		
Share options	**5,447,376**	3,171,196
Share awards	**3,781,625**	1,446,782
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,832,535,767**	1,832,691,734

The computation of diluted earnings per share does not assume the exercise of the Company's share options and vesting of Company's share awards which the exercise price of those share options and adjusted exercise price of those share awards were higher than the average market price for shares for both six-month periods ended June 30, 2026 and 2025.

9. Additions to property, plant and equipment/intangible assets/right of use assets

During the period, the Group spent approximately US$91,792,000 (for the six-month period ended June 30, 2025: US$95,815,000) and US$143,763,000 (for the six-month period ended June 30, 2025: US$156,095,000) on the acquisition of property, plant and equipment and intangible assets respectively.

During the period, the Group entered into certain new lease agreements for the use of land and buildings, office equipment, furniture and fixtures, plant and machinery and motor vehicles. The Group is required to make periodic payments. On lease commencement, the Group recognized US$55,698,000 (for the six-month period ended June 30, 2025: US$42,294,000) of right of use assets and US$55,698,000 (for the six-month period ended June 30, 2025: US$42,294,000) lease liabilities.

10. Trade and other receivables/Bills receivable

The Group has a policy of allowing credit periods ranging mainly from 30 days to 120 days. The aging analysis of trade receivables, net of allowances for credit losses, presented on the basis of the revenue recognition date, which is usually the invoice date, at the end of the reporting period is as follows:

	June 30 2026 US$'000	December 31 2025 US$'000
0 to 60 days	**2,023,207**	1,568,132
61 to 120 days	**300,629**	310,357
121 days or above	**45,192**	57,709
Total trade receivables	**2,369,028**	1,936,198
Other receivables	**52,937**	69,133
	2,421,965	2,005,331

All the Group's bills receivable at June 30, 2026 and December 31, 2025 are aged within 120 days.

11. Trade receivables from an associate

The trade receivables from an associate at June 30, 2026 and December 31, 2025 are aged within 120 days.

12. Trade and other payables/Bills payable

The aging analysis of trade payables based on the invoice date at the end of the reporting period is as follows:

	June 30 2026 US$'000	December 31 2025 US$'000
0 to 60 days	**1,102,580**	1,185,050
61 to 120 days	**625,934**	560,452
121 days or above	**7,342**	58,547
Total trade payables	**1,735,856**	1,804,049
Other payables	**2,436,694**	2,319,135
Total trade and other payables	**4,172,550**	4,123,184
Non-current portion of other payables	**(104,905)**	(103,732)
	4,067,645	4,019,452

All the Group's bills payable at June 30, 2026 and December 31, 2025 are aged within 120 days based on the invoice date.

The other payables mainly represents accruals of various selling, general and administrative expenses of US$2,156,244,000 (2025: US$2,050,475,000). The non-current other payables mainly represents accruals for vendors and accruals of long-term incentive benefits offered to certain management executives of the Group.

13. Unsecured borrowings

During the period, the Group obtained new unsecured borrowings of US$2,351,573,000 (2025: US$3,258,487,000). The Group also repaid unsecured borrowings of US$2,498,020,000 (2025: US$3,108,373,000).

In respect of unsecured borrowings with carrying amount of US$448,343,000 as at June 30, 2026 (at December 31, 2025: US$629,671,000), the Group is required to comply with certain financial ratios linked to the consolidated profit and loss in respect of that relevant period which are tested on a half yearly basis. The Group has complied with the relevant covenants at each test date on or before the end of the reporting period and classified the related bank loans balances as non-current.

14. Share capital

	Number of shares		Share capital	
	June 30 2026	December 31 2025	**June 30 2026 US$'000**	December 31 2025 US$'000
Ordinary shares				
Issued and fully paid:				
At the beginning of the period/year	**1,829,209,941**	1,832,304,941	**691,887**	689,684
Issue of shares upon exercise of share options	**1,317,000**	405,000	**14,260**	2,203
Buy-back of shares	**(2,289,500)**	(3,500,000)	**-**	-
At the end of the period/year	**1,828,237,441**	1,829,209,941	**706,147**	691,887

For the period ended June 30, 2026, the Company bought back its own shares through the Stock Exchange as follows:

	No. of ordinary shares	**Price per share**		**Aggregate consideration paid**
Month of buy-back		**Highest HK$**	**Lowest HK$**	**US$'000**
March 2026	**300,000**	**107.90**	**106.70**	**4,155**
June 2026	**1,989,500**	**129.70**	**112.70**	**30,315**
	2,289,500			**34,470**

The shares bought back were settled during the period. Out of 2,289,500 ordinary shares bought back in 2026, the documents of title of 2,061,500 buy-back shares were cancelled during the six months ended June 30, 2026. The remaining 228,000 buy-back shares documents of title were cancelled in July 2026. The consideration paid on the buy-back of the shares of approximately US$34,470,000 was charged to retained profits.

During 2025, the Company bought back and cancelled its own shares through the Stock Exchange as follows:

	No. of ordinary shares	Price per share		Aggregate consideration paid
Month of buy-back		Highest HK$	Lowest HK$	US$'000
March 2025	750,000	106.20	101.00	10,013
June 2025	500,000	87.60	83.55	5,507
August 2025	500,000	101.60	99.50	6,488
November 2025	1,000,000	87.25	84.00	10,994
December 2025	750,000	91.20	89.35	8,726
	3,500,000			41,728

The consideration paid on the buy-back of the shares of approximately US$41,728,000 was charged to retained profits in 2025.

15. Fair value measurements of financial instruments

Fair value of the Group's financial assets and financial liabilities are measured on a recurring basis.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3: fair value measurements are those derived from valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable (significant inputs).

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs
	June 30, 2026	December 31, 2025		
1) Acquisition right of certain property, plant and equipment classified as derivative financial instruments in the consolidated statement of financial position	**Acquisition right of certain property, plant and equipment: US$8,800,000**	Acquisition right of certain property, plant and equipment: US$8,800,000	Level 2	Measured at the fair value of the land and buildings associated with the acquisition right which is based on a valuation by third party independent valuer at the end of the financial year.
2) Foreign currency forward contracts classified as derivative financial instruments in the consolidated statement of financial position	**Assets – US$64,353,000; and Liabilities – US$19,138,000**	Assets – US$8,287,000; and Liabilities – US$52,973,000	Level 2	Discounted cash flow Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates and yield curves at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.
3) Listed equity securities classified as financial assets at fair value through profit or loss ("FVTPL") in the consolidated statement of financial position	**Listed shares: US$28,990,000**	Listed shares: US$31,750,000	Level 1	Quoted bid prices in an active market.
4) Other major financial assets classified as financial assets at FVTPL in the consolidated statement of financial position	**Club membership debentures: US$4,944,000**	Club membership debentures: US$4,945,000	Level 2	The fair value was arrived at with reference to recent transaction prices for similar comparables with similar characteristics.
5) Cross-currency interest rate swaps classified as derivative financial instruments in the consolidated statement of financial position	**Liabilities: US$1,435,000**	N/A	Level 2	Measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates and foreign exchange rates between US$ and EUR, which is observable at the end of the reporting period.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the condensed consolidated financial statements approximate their fair values.

16. Capital commitments

	June 30 2026 US$'000	December 31 2025 US$'000
Capital expenditure in respect of the acquisition of property, plant and equipment and equity investment contracted for but not provided in the condensed consolidated financial statements	**180,749**	152,926