

TTI DELIVERS EXCEPTIONAL 2020 RESULTS

Highlights	2020*	2019	Changes
	US\$'	US\$'	
	million	million	
Revenue	9,812	7,667	+28.0%
Gross profit margin	38.3%	37.7%	+52 bps
EBIT	868	673	+29.0%
Profit attributable to Owners of the Company	801	615	+30.2%
Basic earnings per share (US cents)	43.80	33.67	+30.1%
Dividend per share (approx. US cents)	17.37	13.26	+31.1%

*For the year ended December 31, 2020

- Exceptional 2nd half sales growth of +42.3%
- Full year organic sales growth of over US\$2.1 billion, +28%
- Gross margin improved for the 12th consecutive year to 38.3%, up +52 basis points
- Net profit growth of 30.2% to US\$801 million

(Hong Kong, March 3, 2021) - Hong Kong-based global power equipment and floor care company **Techtronic Industries Co. Ltd.** (“TTI” or the “Group”) (stock code: 669, ADR symbol: TTNDY) announced its results for the financial year ended December 31, 2020. The Group reported sales of US\$9.8 billion, an increase of 28.0%. Second half sales grew an exceptional 42.3%, outpacing the market.

Gross margin improved for the 12th consecutive year, from 37.7% in 2019 to 38.3% in 2020. This gross margin improvement is a direct result of the launching of high margin new products, disciplined mix management, exceptional productivity gains and volume leverage.

EBIT increased 29.0% to US\$868 million, with the EBIT margin improving by 10 basis points to 8.9%. Net profit rose 30.2% to US\$801 million, with earnings per share increasing 30.1% over 2019 to US43.80 cents. The Group invested in inventory to support the above market growth levels, while working capital management remained best-in-class at 14.0% of sales.

The Board is recommending a final dividend of HK82.00 cents (approximately US10.55 cents) per share. Together, with the interim dividend of HK 53.00 cents (approximately US6.82 cents) per share, this will result in a full-year dividend of HK135.00 cents (approximately US17.37 cents) per share, against HK103.00 cents (approximately US13.26 cents) per share in 2019, an increase of 31.1%.

TTI's Power Equipment business, representing 89.0% of total sales, grew 28.5% to US\$8.7 billion. The 25.8% growth in TTI's flagship MILWAUKEE Professional business was propelled by innovative new products while the RYOBI cordless business generated double-digit sales growth. TTI continued to make progress in the Floorcare business. The segment accounted for 11.0% of TTI total sales, with sales increasing 23.6% to US\$1.1 billion over 2019.

Mr. Horst Pudwill, Chairman of TTI, said, "TTI is well positioned to continue outperforming the market, with a strong balance sheet and a disciplined fixed and working capital management process. We are positioned to capitalize on the many growth opportunities we have identified in the months and years ahead."

Mr. Joseph Galli, CEO of TTI, commented, "It is our unrelenting bold vision, customer focus and business momentum that will make 2021 another successful year and position TTI with exciting opportunities in the decade to come."

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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 Developed Index and MSCI ACWI Index. For more information, please visit www.ttigroup.com.

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