

TECHTRONIC INDUSTRIES DELIVERS EXCEPTIONAL 2021 RESULTS WITH OUTSTANDING REVENUE AND PROFIT GROWTH

(Hong Kong, March 2, 2022) - Hong Kong-based global power equipment and floorcare & cleaning company **Techtronic Industries Co. Ltd.** (“TTI” or the “Group”) (stock code: 669, ADR symbol: TTNDY) is pleased to report that 2021 was an extraordinary year for TTI with outstanding revenue and profit growth. The Group delivered sales of US\$13.2 billion, an increase of 34.6%. Over the two-year period, TTI significantly outperformed the market with +72.2% sales growth. Increased strategic investments in new product, manufacturing capacity, geographic expansion, logistics, and in-field marketing initiatives propelled TTI’s industry leading performance.

- Full year organic sales growth of US\$3.4 billion, +34.6%
- Gross margin improved for the 13th consecutive year to 38.8%, up +54 basis points
- Net profit growth of 37.2% to US\$1.1 billion

Financial Performance Highlights for 2021

	2021* US\$'	2020 US\$'	
	million	million	Changes
Revenue	13,203	9,812	+34.6%
Gross profit margin	38.8%	38.3%	+54 bps
EBIT	1,192	868	+37.2%
Profit attributable to Owners of the Company	1,099	801	+37.2%
Basic earnings per share (US cents)	60.04	43.80	+37.1%
Dividend per share (approx. US cents)	23.81	17.37	+37.0%

*For the year ended December 31, 2021

Gross margin improved for the 13th consecutive year, from 38.3% in 2020 to 38.8% in 2021. The 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 37.2% to US\$1.2 billion, with the EBIT margin improving by 17 basis points to 9.0%. Net Profit rose 37.2% to US\$1.1 billion, with earnings per share increasing 37.1% over 2020 to US60.04 cents. With the investments in inventory to support sales growth and high service levels, the Group maintained a disciplined working capital ratio at 20.9% of sales.

Every one of the Group's business units in all geographic regions delivered exceptional sales growth in 2021. North America grew 33.7%, Europe grew 41.1% and ROW grew 31.8%. The Power Equipment business, representing 90.6% of total sales, grew 37.0% to US\$12.0 billion. The Milwaukee business, Ryobi DIY, and Ryobi Outdoor businesses all achieved double-digit growth, significantly outgrowing the market. The Floorcare and Cleaning business also produced strong sales growth of 14.8% to US\$1.2 billion.

The Board is recommending a final dividend of HK 1 dollar (approximately US12.87 cents) per share. Together, with the interim dividend of HK85.00 cents (approximately US10.94 cents) per share, this will result in a full-year dividend of HK185.00 cents (approximately US23.81 cents) per share, against HK135.00 cents (approximately US17.37 cents) per share in 2020, an increase of 37.0%.

Mr. Horst Pudwill, Chairman of TTI, said, "We are confident that our unrelenting bold vision, customer focus and business momentum will make 2022 another outstanding year and position TTI with exciting opportunities in the months and years ahead."

Mr. Joseph Galli, CEO of TTI, commented, "TTI is now uniquely positioned to continue our leadership position in professional cordless, DIY cordless, outdoor cordless, and in floorcare. In 2022, we are excited to continue making substantial investments in the business, to drive another year of above market results and gross margin expansion."

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 and Cleaning Products 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 and cleaning products.

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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