



Powerful Brands
Innovative Products
Exceptional People
Operational Excellence



2023 1H **Analyst Presentation**

August 9th, 2023

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Horst Pudwill

Joe Galli



2023 FOCUS

➔ Inventory Reduction

➔ Free Cash Flow

➔ SG&A Control

➔ New Product Development

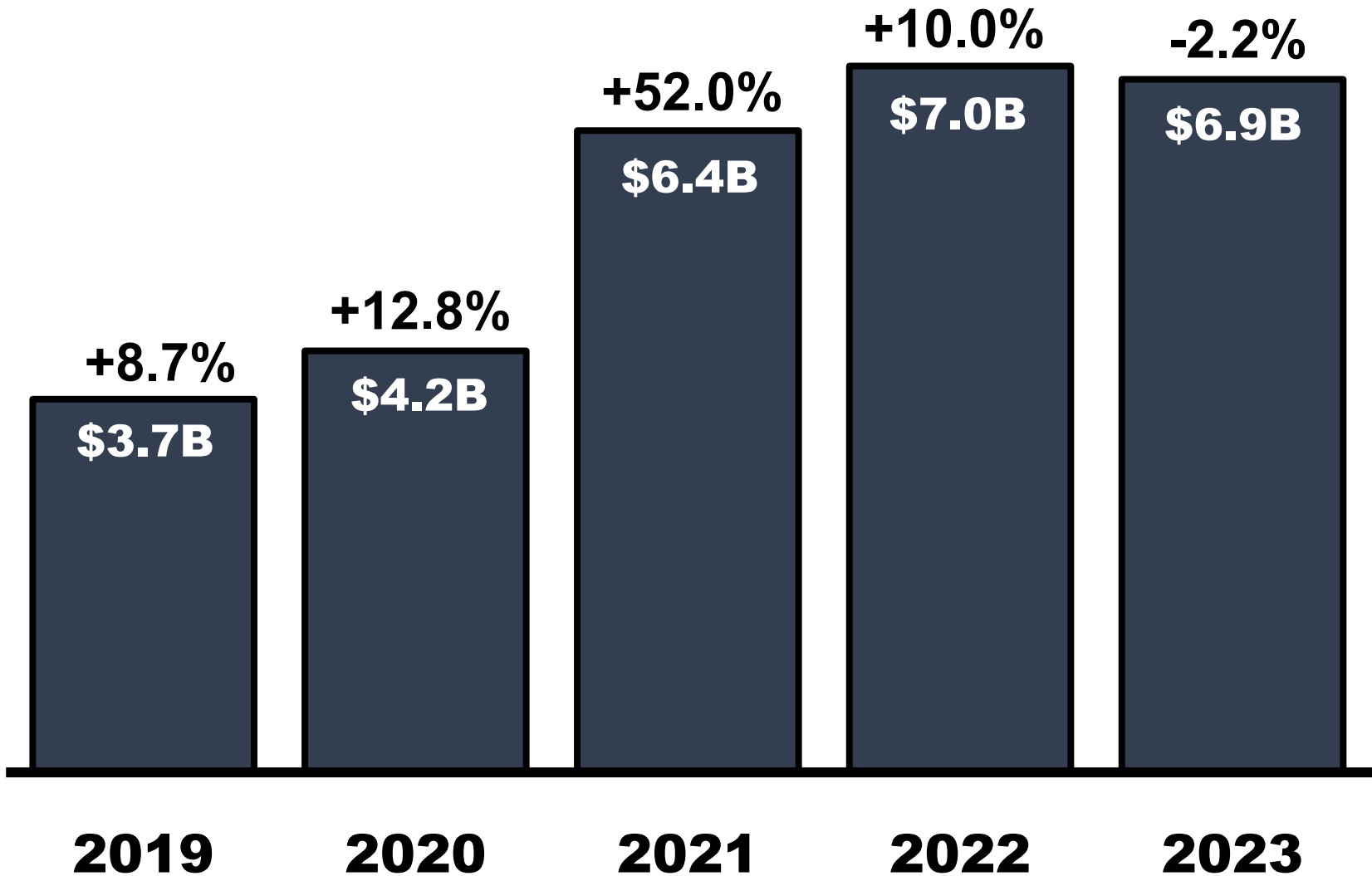
➔ Outperform the Market

2023 1st Half Sales Growth

	<u>2022</u>	<u>2023</u>
Sales	\$7,034	\$6,879
% Chg		-2.2%
% Chg Local Currency		-1.0%



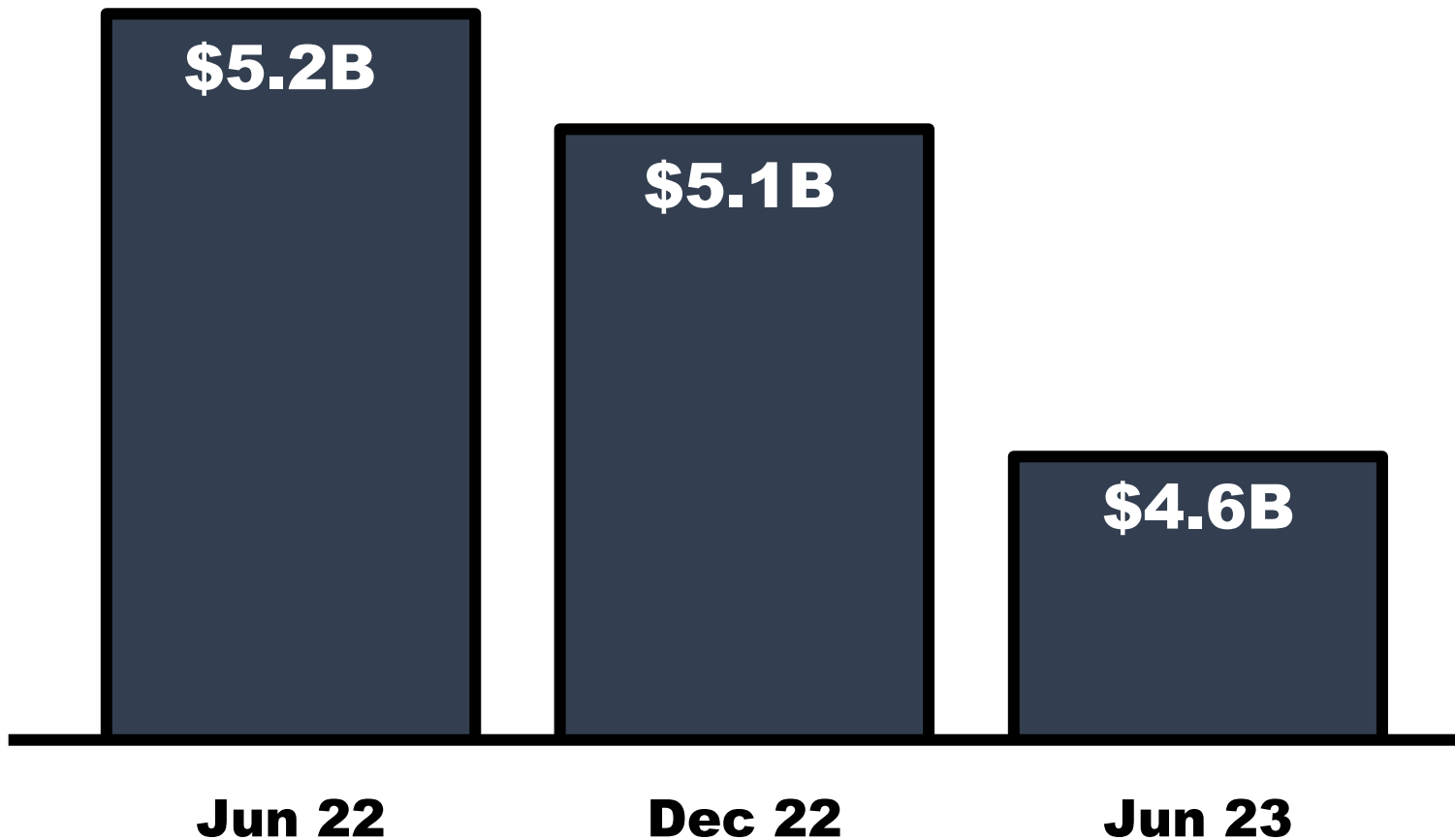
1st Half Sales Performance





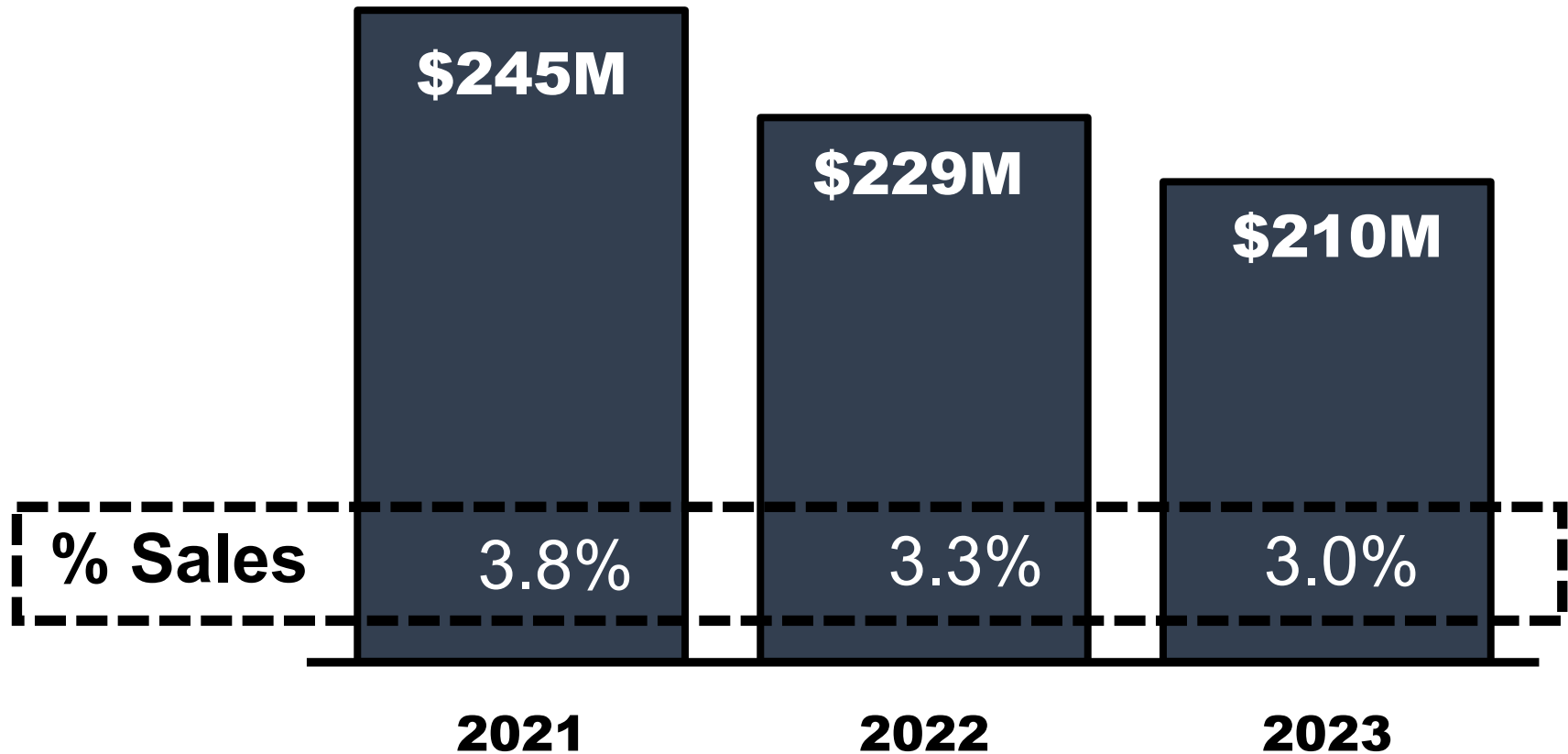
1st Half **Inventory** Performance

-\$651M vs LY





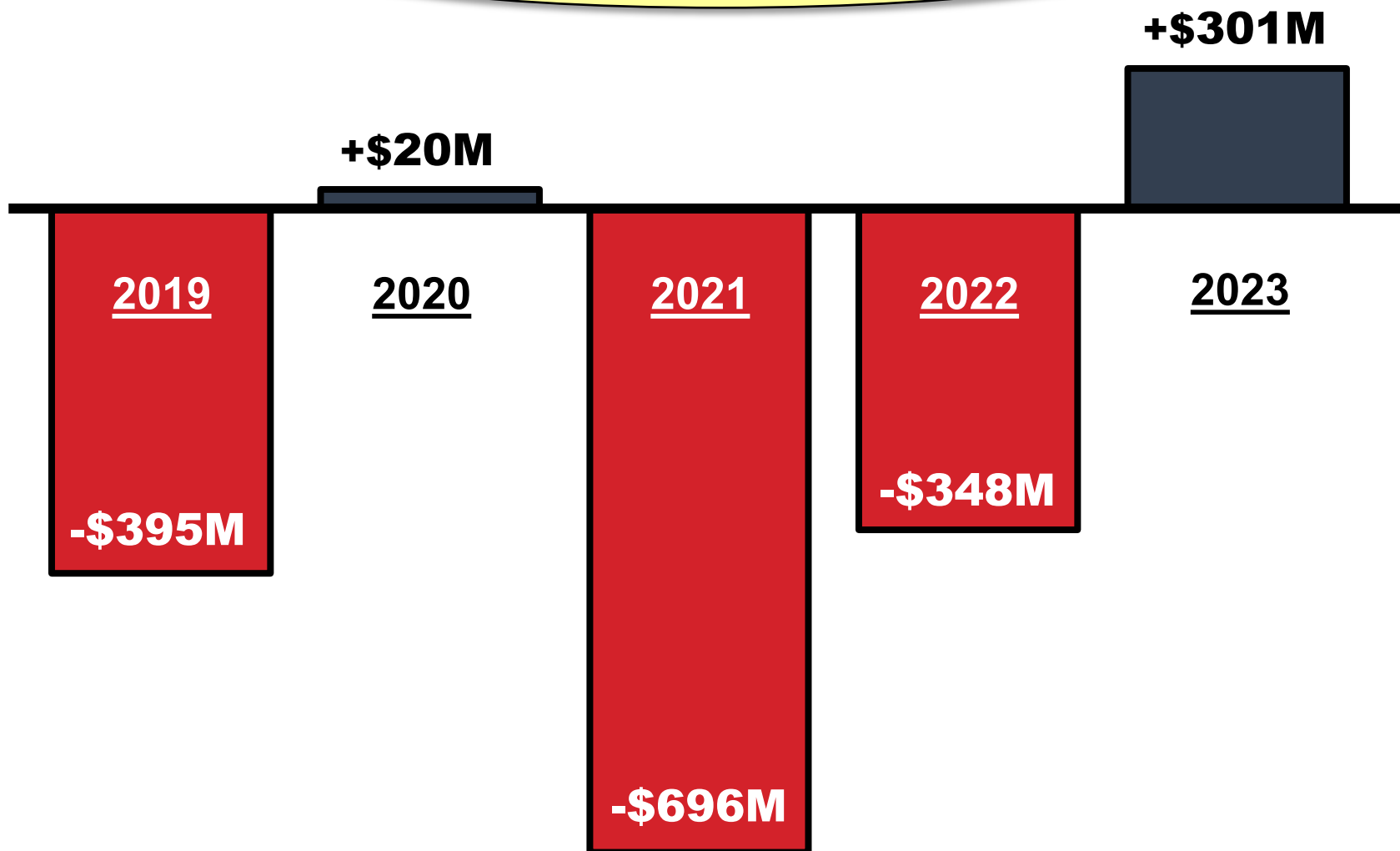
2023 1st Half CAPEX Spend





1st Half FCF Performance

+\$649M vs LY



2023 1st Half Results

	<u>2022</u>	<u>2023</u>	<u>vs 2022</u>
Sales	\$7,034	\$6,879	-2.2%
<i>Local Currency</i>			<i>-1.0%</i>
GM %	39.1%	39.3%	+22 bps
SGA %	30.2%	31.2%	+108 bps
EBIT	\$633	\$560	-11.5%
<i>% of sales</i>	<i>9.0%</i>	<i>8.1%</i>	

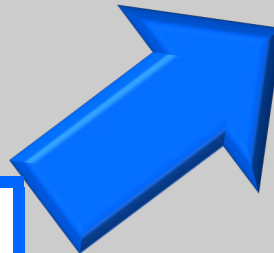
2023 1st Half Gross Margin

2022

2023

39.1%

39.3%



2023 1st Half SGA

TOTAL:

+\$28M

+108bps to 31.2% of sales



- + Geographic Expansion
- + In Field Marketing
- + Product Development

CONSUMER

- + Inv Reduction Promos
- + Severance
- Product Development
- Overhead Reduction



OUTLOOK

H2 2023

→ SALES

→ EBIT

→ FCF



ENVIRONMENTAL



SOCIAL



GOVERNANCE

CONSUMER



RYOBI®

#

1

GLOBAL

**CORDLESS
DIY BRAND**

POWER TOOLS • OUTDOOR • CLEANING

RYOBI

USB
LITHIUM

System



22 Products

RYOBI 18V ONE+ System



305 Products

RYOBI 40V System



88 Products

RYOBI CLEANING FAMILY





NEXT GENERATION



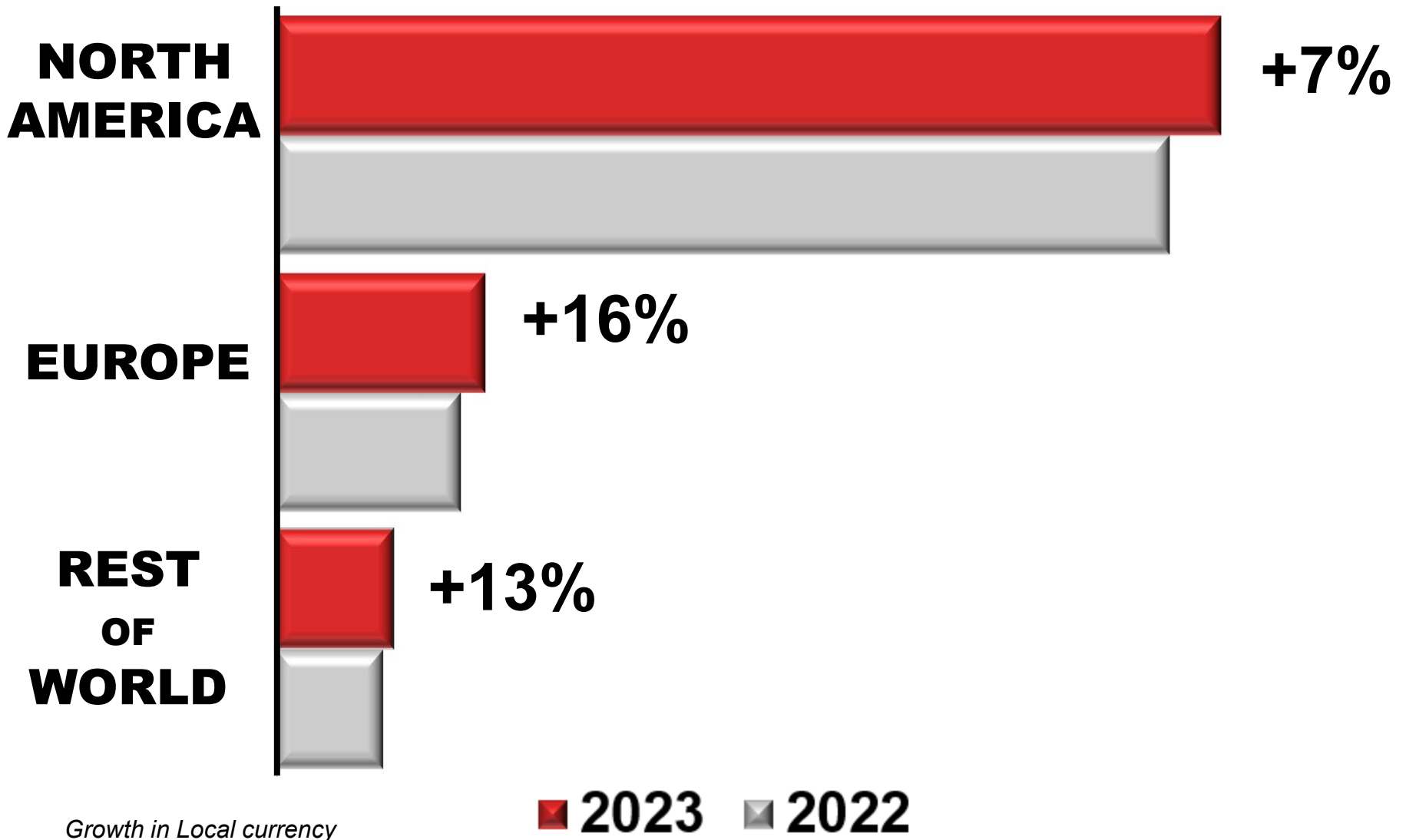
2023 1st Half Sales



+9%



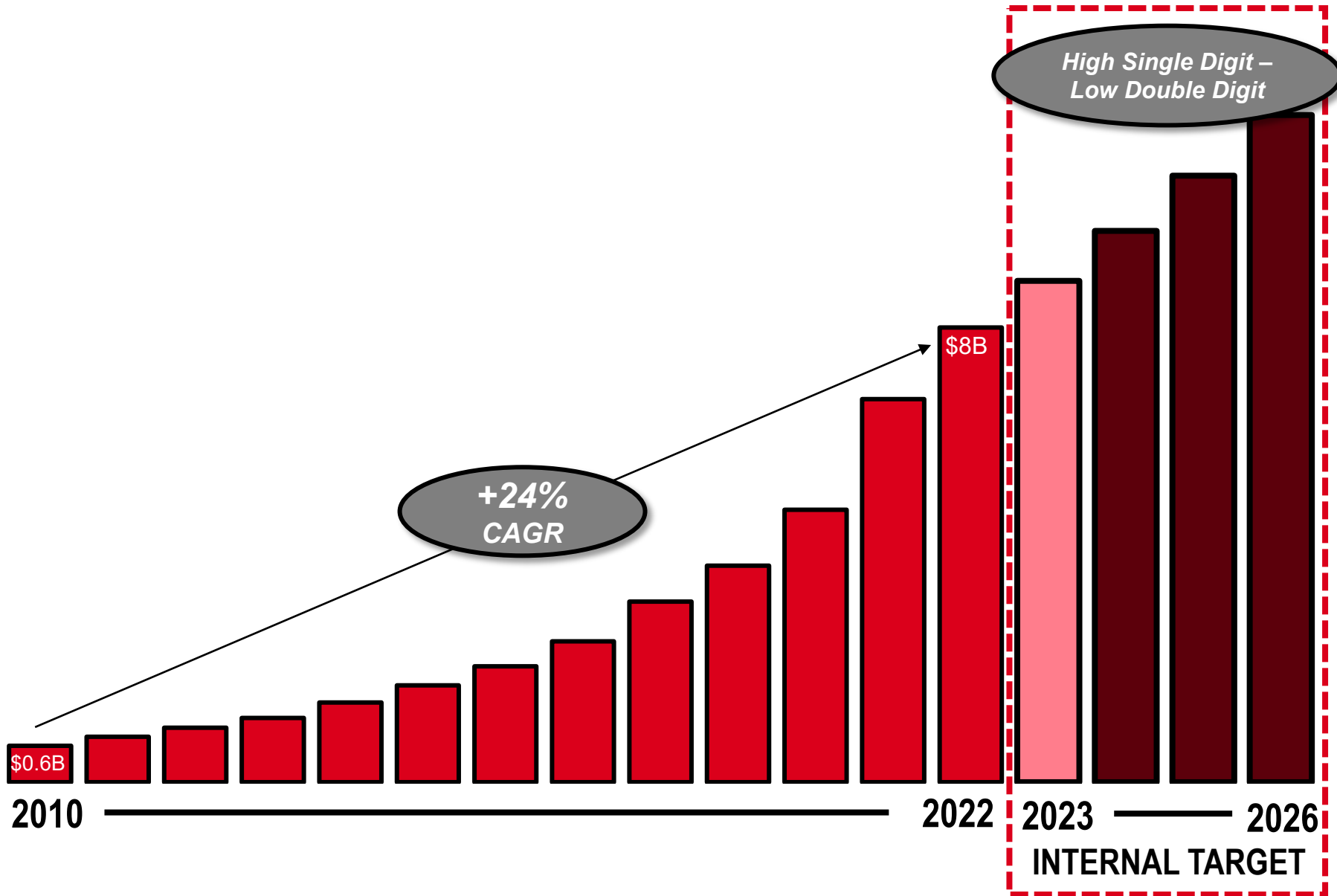
2023 1st Half Sales



Growth in Local currency

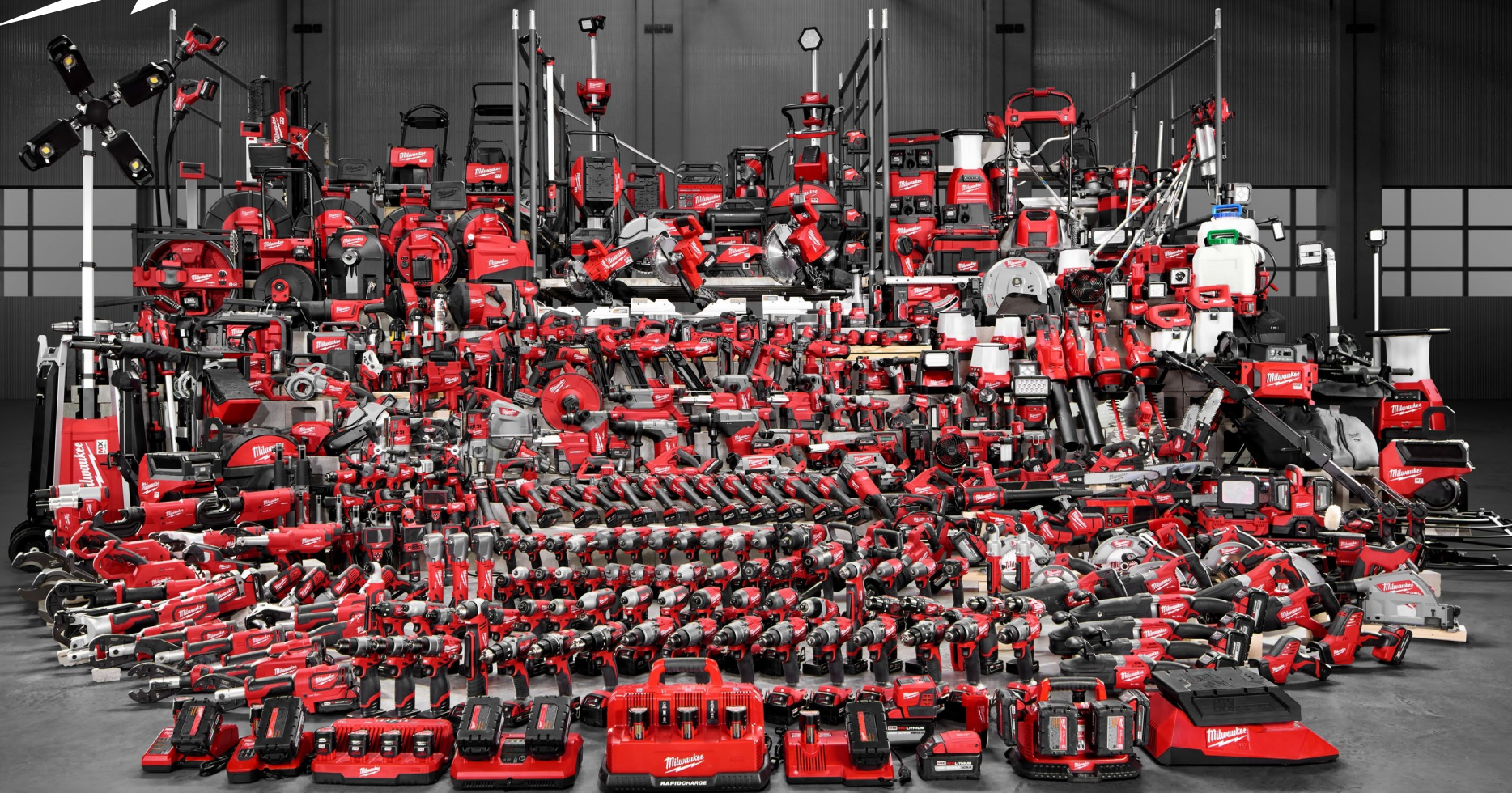


Global Sales Growth



Milwaukee[®]

#1 PRO CORDLESS TOOL BRAND



445 CORDLESS PRODUCTS



GROWTH

- ➔ **CORDLESS REVOLUTION**
- ➔ **GEOGRAPHIC EXPANSION**
- ➔ **VERTICAL EXPANSION**
- ➔ **NEW PRODUCT**
- ➔ **ASP INCREASES**

Milwaukee®

REDLITHIUM™
FORGE™



Milwaukee®

SUPERCHARGER

MX
FUEL™



M18™



CANADA



EUROPE - BELGIUM



METAALWAREN
CLAERBOUT
alles voor de vakman



EUROPE - SLOVAKIA



STAHLMANN®

AUSTRALIA



**SYDNEY
TOOLS**

MEXICO



RIDSA
REPRESENTACIONES
INDUSTRIALES
DINÁMICAS, S.A. DE C.V.

M18 FUEL™



3RD GENERATION

**HIGH TORQUE
IMPACT WRENCH**

INFRASTRUCTURE

- ↑ **ROADS/BRIDGES**
- ↑ **TUNNELS**
- ↑ **EV CHARGING**
- ↑ **AIRPORTS**
- ↑ **WATER PIPES**
- ↑ **DOCKS/PORTS**
- ↑ **HARBORS**
- ↑ **DAMS/LEVEES**

M18 FUEL

INFRASTRUCTURE

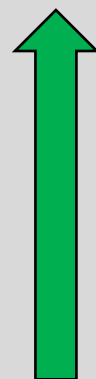
 **RAIL**

 **SUBWAY**

RAILWAY IMPACT WRENCH



CONSTRUCTION



INDUSTRIAL

- CHIP FACTORIES

- EV FACTORIES



RESIDENTIAL



COMMERCIAL

PLATE COMPACTOR

TRANSPORTATION MAINTENANCE

↑ AUTOMOBILES

↑ TRUCKING

↑ SHIPS

↑ TRAINS

↑ HEAVY EQUIPMENT



INSIDERTM
BOX RATCHET

M18 FUEL

RENEWABLE ENERGY

↑ SOLAR

↑ HYDRO

↑ WIND

↑ NUCLEAR



**CONTROLLED TORQUE
IMPACT WRENCH**

M18 FORCELOGIC™

POWER UTILITY

 **OVERHEAD**

 **UNDERGROUND**

**6T LATCHED LINEAR
UTILITY CRIMPER**

M18 FUEL™



MINING



SURFACE



UNDERGROUND

**D-HANDLE HIGH TORQUE
IMPACT WRENCH**

M18 FUEL



OUTDOOR



LANDSCAPING



ARBORISTS

**12" TOP HANDLE
CHAINSAW**



ELECTRICIAN MARKET





ASP INCREASES

1/2" Hammer Drill

**LEADING PRO
CORDED - \$69**



CORDLESS - \$299



M18 FUEL™

PACKOUT™

MODULAR STORAGE SYSTEM



STORAGE & TRANSPORTATION

Milwaukee®

BOLT™

SECURE ACCESSORIES
SIMULTANEOUSLY



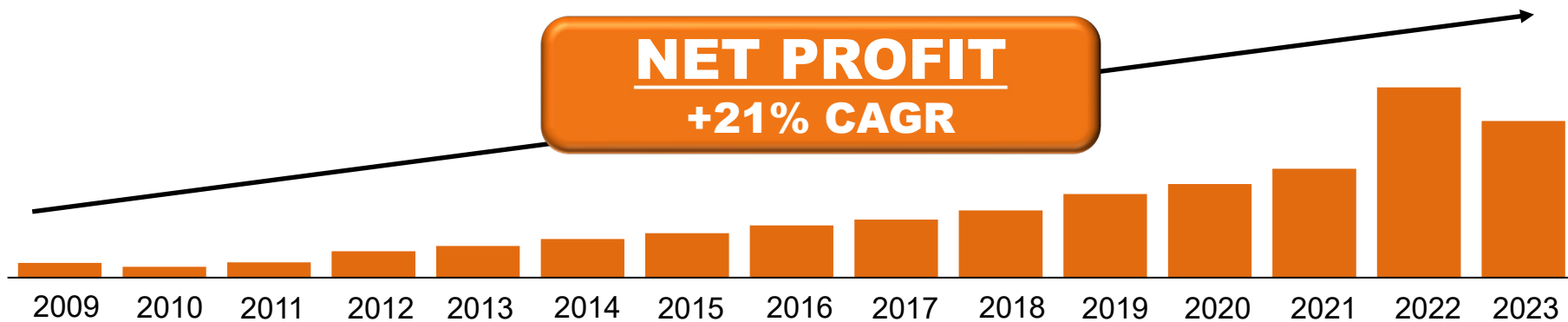
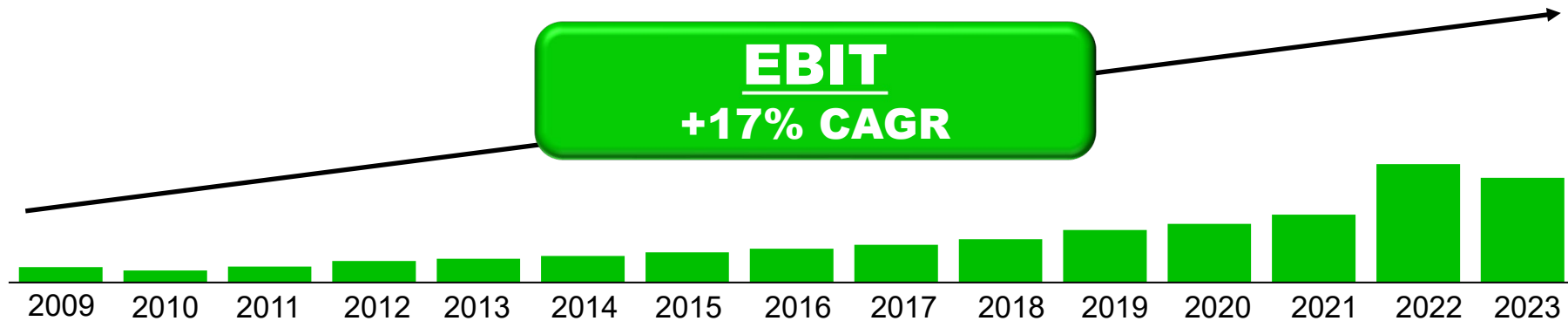
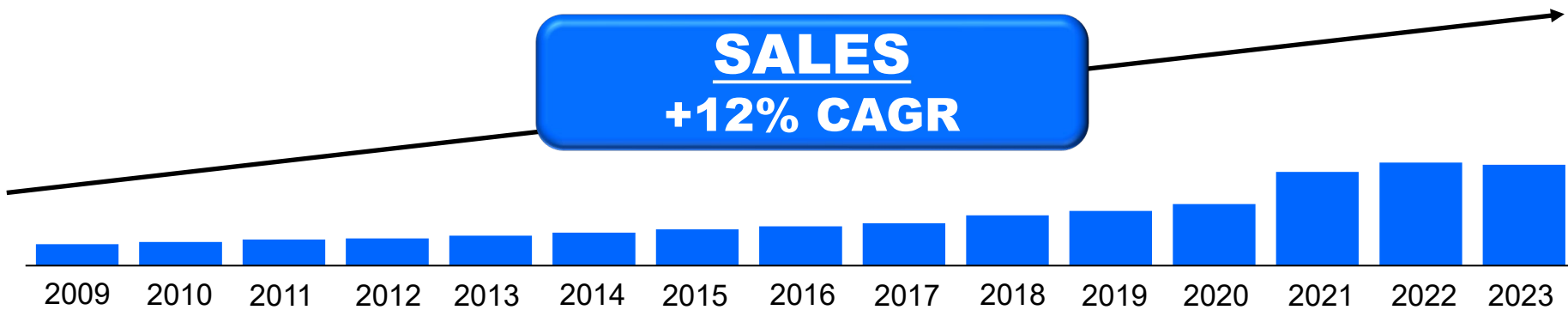
“A race without a
finish line.”

Frank Chan

2023 1st Half Results

	<u>2022</u>	<u>2023</u>	<u>Change</u>
Sales	\$7,034	\$6,879	-2.2%
GM %	39.1%	39.3%	+22 bps
SGA %	30.2%	31.2%	+108 bps
EBIT	\$633	\$560	-11.5%
<i>% of sales</i>	9.0%	8.1%	
Net Profit	\$578	\$476	-17.7%
<i>% of sales</i>	8.2%	6.9%	
EPS (cents)	31.59¢	26.00¢	-17.7%
Dividend (HK Cents)	95.00¢	95.00¢	-

15 Year 1st Half Performance Trend



2023 1st Half Segment Results

<u>Segment</u>		<u>2022</u>	<u>2023</u>	<u>Change</u>	<u>LC</u>
Power Equipment	Sales	\$6,562	\$6,450	-1.7%	-0.5%
	<i>Segment %</i>	<i>93.3%</i>	<i>93.8%</i>		
	Op Profit	\$646	\$560	-13.3%	
	<i>% of sales</i>	<i>9.8%</i>	<i>8.7%</i>		
Floorcare & Cleaning	Sales	\$472	\$429	-9.1%	-7.6%
	<i>Segment %</i>	<i>6.7%</i>	<i>6.2%</i>		
	Op Profit	(\$13.3)	\$0.2	+\$13.5m	
	<i>% of sales</i>	<i>-2.8%</i>	<i>0.1%</i>		

2023 1st Half Region Sales

<u>Region</u>	<u>2022</u>	<u>2023</u>	<u>Change</u>	<u>LC</u>
North America <i>Region %</i>	\$5,397 <i>76.7%</i>	\$5,167 <i>75.1%</i>	-4.2%	-3.9%
Europe <i>Region %</i>	\$1,074 <i>15.3%</i>	\$1,152 <i>16.7%</i>	+7.3%	+10.1%
Rest of World <i>Region %</i>	\$563 <i>8.0%</i>	\$560 <i>8.2%</i>	-0.5%	+5.7%

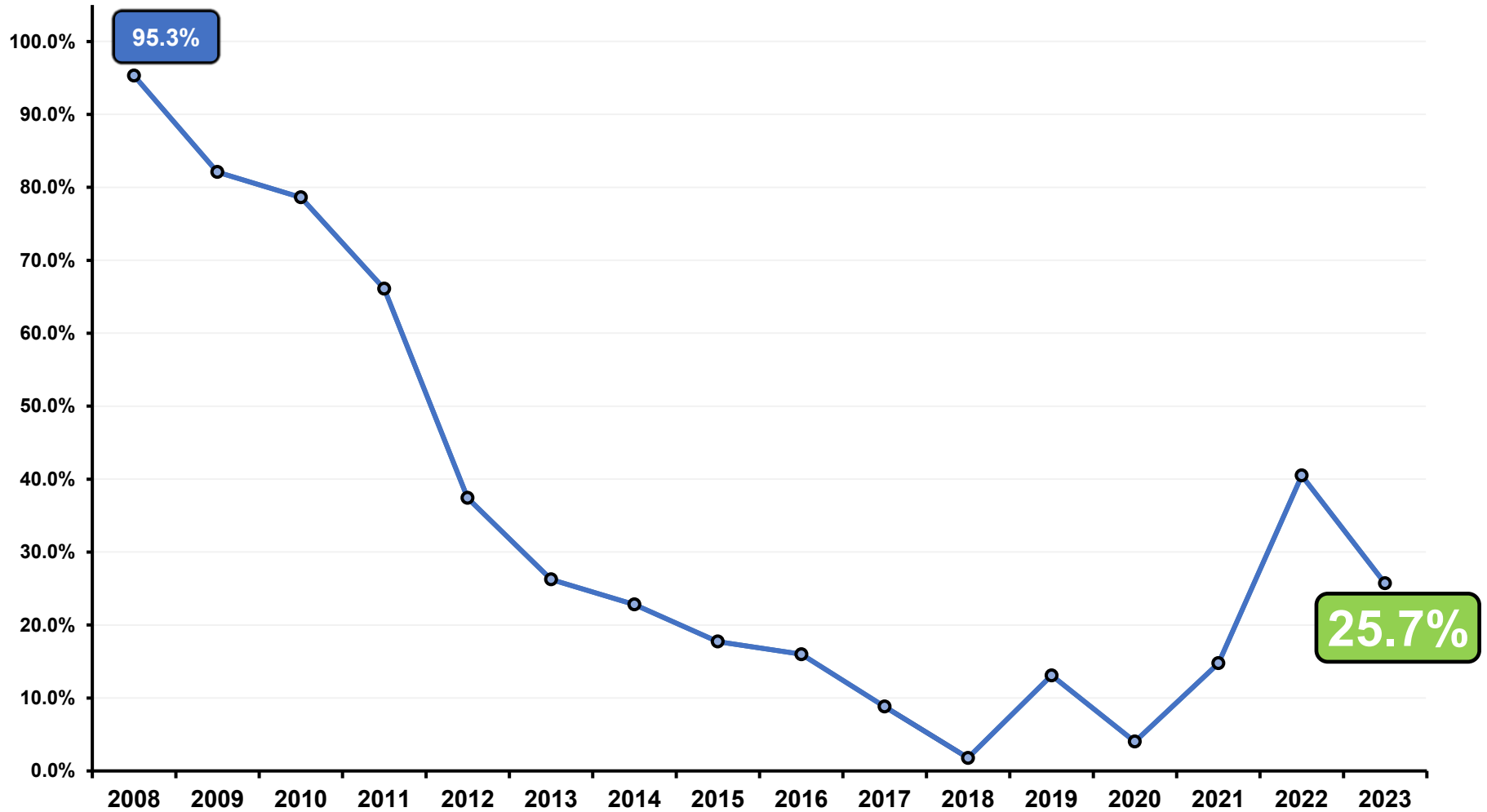
2023 1st Half Income Statement

	<u>2022</u>	<u>2023</u>	<u>Change</u>
Sales	\$7,034	\$6,879	-2.2%
Gross Profit	\$2,747	\$2,702	-1.6%
<i>% of sales</i>	39.1%	39.3%	
Selling, Distribution, & Advertising	\$1,153	\$1,187	+2.9%
Administrative Expenses	\$737	\$719	-2.4%
Research & Development	\$232	\$243	+5.0%
Total SG&A Expenses	\$2,122	\$2,149	+1.3%
<i>% of sales</i>	30.2%	31.2%	
Net Finance Cost	\$11	\$49	+334.4%
Profit before Income Tax	\$621	\$511	-17.8%
Income Tax Expense	\$43	\$35	-18.9%
Net Profit	\$578	\$476	-17.7%
<i>% of sales</i>	8.2%	6.9%	

2023 1st Half Financial Position

	<u>2022</u>	<u>2023</u>	<u>Change</u>
Non-current Assets	\$4,196	\$4,997	+19.1%
Current Assets	\$9,322	\$8,433	-9.5%
Current Liabilities	\$6,608	\$5,899	-10.7%
Net Current Assets	\$2,714	\$2,534	-6.6%
Long-term Liabilities	\$1,861	\$1,837	-1.3%
Equity	\$5,049	\$5,694	+12.8%

2023 1st Half Gearing Trend



2023 1st Half Financial Figures

	<u>2022</u>	<u>2023</u>	<u>Change</u>
Inventory	\$5,232	\$4,581	
<i>Days</i>	138	128	-10 days
Receivables	\$2,060	\$1,945	
<i>Days</i>	54	54	-
Payables	\$4,066	\$3,546	
<i>Days</i>	107	99	-8 days
Net Working Capital	\$3,226	\$2,980	
<i>% of Sales</i>	23.3%	22.7%	
CAPEX	\$229	\$210	-8.6%
<i>% of Sales</i>	3.3%	3.0%	

2023 1st Half Debt Profile

		<u>YE 2022</u>	<u>1H 2023</u>	<u>Change</u>
Cash Balance		\$1,429	\$1,485	+3.9%
<i>Debt with Fixed Maturities</i>		\$1,384	\$1,451	+4.9%
<i>Working Capital Financing</i>		\$1,715	\$1,498	-12.7%
Total Debt		\$3,099	\$2,949	-4.8%
Total Net Debt		\$1,670	\$1,464	-12.3%
Floating Rate	61%	\$1,885	60% \$1,763	-6.5%
Fixed Rate	39%	\$1,214	40% \$1,186	-2.3%
LT Debts - due after 1 year	39%	\$1,198	38% \$1,133	-5.4%
ST Debts - due within 1 year	61%	\$1,901	62% \$1,816	-4.5%

