

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 YEAR ENDED DECEMBER 31, 2025

The board of directors (the “Directors” or the “Board”) of Techtronic Industries Company Limited (“TTI” or the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the “Group”) for the year ended December 31, 2025 together with the comparative figures in 2024.

- TTI delivered record sales and earnings despite significant tariff headwinds, growing sales 4.4% to US\$15.3 billion and net profit 6.8% to US\$1.2 billion.
- Our Global MILWAUKEE business grew 8.1% on a reported basis with underlying sales rising 10.3% in local currency (excluding the discretionary suspension of certain second half promotions due to tariffs).
- RYOBI, the #1 global consumer cordless tool and outdoor products brand, grew 5.4% in local currency.
- Reported EBIT Margin increased 7 bps to 8.8% as a percentage of sales, while normalized EBIT Margin (after adjusting for the exit of the HART business) increased 57 bps to 9.3%, due to strong performance in the EMEA region, corporate cost out initiatives and a focus on driving leverage and profitability.
- TTI reported nearly US\$1.4 billion in Free Cash Flow in 2025, marking the third consecutive year of US\$1.2 billion+ in Free Cash Flow and ending the year in a net cash position of US\$700 million.
- The Board intends to implement a discretionary share buyback plan of up to US\$500 million over the next 18 months.

Highlights

	2025	2024	
	US\$'	US\$'	
	million	million	Changes
Revenue	15,260	14,622	+4.4%
Gross profit margin	41.2%	40.3%	+91 bps
EBIT	1,336	1,270	+5.2%
Profit attributable to Owners of the Company	1,198	1,122	+6.8%
Basic Earnings per share (US cents)	65.61	61.43	+6.8%
Dividend per share (approx. US cents)	33.08	29.09	+13.7%

BUSINESS REVIEW

TTI delivered record sales of US\$15.3 billion in 2025, growing 4.4% on a reported basis and 4.1% in local currency. On an underlying basis, sales grew 5.7% in local currency in 2025.

In North America, we delivered 3.5% sales growth in local currency. Europe grew 9.0%, while Rest of World decreased 0.3% in local currency.

Our two leading brands, MILWAUKEE and RYOBI, both delivered solid performances in 2025 with MILWAUKEE growing 7.9% and RYOBI growing 5.4% in local currency. Our noncore businesses, representing 9.1% of global revenue, declined 20.4% in local currency mainly due to the planned exit of the HART business and the market softness and rationalization of sales in our Floorcare business.

MILWAUKEE sales growth in North America was impacted by our decision (made at peak tariff levels) to suspend certain product sales and promotions in the second half of 2025 that were disproportionately affected by tariffs. By the end of 2025, MILWAUKEE optimized its manufacturing footprint by migrating the impacted products to lower tariff jurisdictions. As a result, we expect the impact from the sales suspension on revenue growth to be non-recurring in 2026. Adjusting for these one-time events, the underlying MILWAUKEE business grew sales by 10.3% in local currency.

Gross margin improved 91 basis points to 41.2% in 2025. The increase reflects the positive mix impact of our high margin MILWAUKEE business, productivity enhancements, and operational efficiencies created in our RYOBI and other Consumer businesses. Margin expansion accelerated as tariff mitigation efforts materialized in the second half of the year.

As a percentage of sales, total SG&A expenses increased by 80 basis points to 32.5%. The increase reflects continued investment in new product development, field resources, and one-time write-offs of intangible assets, mainly related to the HART exit and other underperforming product lines.

EBIT grew 5.2% to US\$1.3 billion, while EBIT margin increased 7 basis points to 8.8%.

Net Profit increased 6.8% to US\$1.2 billion and earnings per share rose 6.8% to US65.61 cents.

As a percentage of sales, working capital rose 109 bps to 15.5%. Inventory days on hand increased 4 days to 106 days and remain at a very comfortable level. Receivables decreased 1 day to 46 days, while payable days held flat at 96 days.

Capex spend for 2025 was US\$289 million, or 1.9% of sales. This spend includes investments in new products, manufacturing network rebalancing, automation and productivity initiatives around the globe. Overall capital spending requirements are expected to remain in the current range in the coming years.

The Company generated nearly US\$1.4 billion in positive Free Cash Flow in 2025, ending the period in a US\$700 million 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.

TTI's capital allocation strategy is designed to strengthen our core business, expand enterprise value, and deliver attractive long-term returns to shareholders. Our number one priority is to invest in our core businesses to drive sustainable growth and continued profit margin expansion. We will also take a balanced approach to evaluating strategic acquisitions that will create growth opportunities and synergies with our existing core businesses to unlock shareholder value. The Board will also assess opportunities for increasing shareholder return through our dividend policy and structured share repurchase programs, while maintaining working capital requirements and prudent cash management. Based on the confidence we have in our future performance and combined with our robust balance sheet, we intend to implement a discretionary share buyback plan administered by an independent leading financial institution of up to US\$500 million over the next 18 months.

REVIEW OF OPERATIONS

Power Equipment

The TTI Power Equipment segment delivered sales of US\$14.4 billion in 2025, an increase of 5.3% in reported currency and 5.0% in local currency.

MILWAUKEE

On a reported basis, MILWAUKEE achieved 8.1% reported sales growth in 2025, finishing up 7.9% in local currency. By region, North America grew 7.5%, Europe grew 11.0%, and Rest of World grew 6.6% in local currency. Performance was driven by continued strength across our major categories, with personal protective equipment (PPE) strongly outperforming the portfolio average, as demand for productivity and safety solutions on jobsites remains strong. On an underlying basis, MILWAUKEE grew 10.3% in 2025, excluding the suspension of promotions in the second half of 2025.

Over the last several years, MILWAUKEE has made significant progress in diversifying its global production footprint into Vietnam, Mexico, and the US with new state-of-the-art facilities in Ho Chi Minh City, Vietnam and Torreon, Mexico as well as several new production sites in the US that strengthened our operational flexibility across regions. The business has also made a major investment in vertical integration to further enhance its competitive advantages in all key production regions, while leveraging our world-class product development capabilities in our China-based tech center.

MILWAUKEE continues its unwavering commitment to the skilled trades. Structural labor shortages in many of our key trades including electrical, plumbing, and power utility, facilitate growing end user demand for technology-driven solutions that enhance productivity and safety on the job site. These opportunities directly shape MILWAUKEE's innovation roadmap.

Looking at various end markets, a significant portion of MILWAUKEE sales are derived from hyper-growth segments including data centers and large-scale infrastructure projects that have long-term investment cycles. Additionally, MILWAUKEE benefits from various maintenance and repair activities across a broad spectrum of industries. These activities account for a significantly greater proportion of revenue than traditional residential construction.

A tangible example of this innovation is the M18 FUEL Branch Conduit Bender with AUTO ZERO, purpose-built for the scale of modern data center construction. Data centers require exponentially more power, driving significantly higher conduit volumes. The Branch Conduit Bender delivers up to a 34% productivity improvement versus hand bending, with AUTO ZERO technology ensuring consistent, repeatable bends across large multi-raceway runs. Its cordless, portable design enables bending at the point of installation across sprawling campuses, while reducing fatigue and improving safety during high-volume conduit work.

Our approach is to continuously innovate by solving real jobsite challenges, expanding our presence within existing verticals, and entering additional markets where our solutions provide clear advantages. We estimate the current global Total Addressable Market (TAM) for MILWAUKEE is approximately US\$160 billion, representing markets we actively serve today, with meaningful expansion opportunities as we continue to expand into additional end user verticals and sub-verticals.

Geographically, MILWAUKEE continues to expand its global reach. The non-US portion of the business accounted for roughly 32% of MILWAUKEE sales in 2025. As this portion of the business grows at a slightly faster pace than the US, it drives overall gross margin accretion.

RYOBI

Our RYOBI business had another outstanding year, growing 5.4% in local currency and marking the second consecutive year of mid-single digit revenue growth following the post-pandemic adjustment period of 2022-23. In 2025, Power Tools and Outdoor both grew, with Power Tools rising high-single-digit and Outdoor growing low-single-digit as certain major storm events from 2024 did not occur in 2025.

We continue to focus on growing our strategic cordless battery platforms, with USB LITHIUM, 18V ONE+ and 40V. Globally, we have the largest installed base of users that continue to grow and expand their collection of RYOBI products. At the same time, we are putting millions of new users into these cordless platforms every year that will provide more opportunities for us to grow in the future. Across all RYOBI cordless platforms, we are committed to maintaining system compatibility while developing innovative new products.

In 2025, we continued to strengthen our core business along with driving outsized growth in new emerging categories. We launched the next generation of our ONE+ HP Brushless platform of drilling, fastening, and cutting tools. These new products deliver even more power, more run-time, and more durability for the user, while reducing size and weight.

In our Outdoor Power business, we launched “all-new” next generation 40V LITHIUM 21” mowers, delivering the industry’s best cutting experience, giving users more power and performance than gas, without the noise and maintenance headaches.

Like the MILWAUKEE business, RYOBI has also diversified into several new product categories over the last few years, including lifestyle and recreation, hobby and craft, and cleaning. The success of this effort has enabled the business to further expand an already massive cordless installed base, gain share, and grow at a healthy pace despite modest US housing turnover.

RYOBI continues to work with the best distribution partners in the industry, including the Home Depot in North America, Bunnings in the Australia/New Zealand region, and top European retail partners. We will continue to grow the RYOBI business through our current geographic footprint, while driving additional expansion opportunities in Latin America and Asia in the future.

Lastly, the business has shown exceptional operational agility over the years, continuing to diversify our manufacturing footprint. This has further enhanced share gains as RYOBI has improved its cost position relative to key global competitors.

Floorcare & Cleaning

Sales for Floorcare and Cleaning fell 9.7% in 2025 due to weakness in the HOOVER, DIRT DEVIL, ORECK, and VAX brands. Floorcare has now been reorganized into a single global business, creating one world-class product development, marketing, manufacturing, and engineering team. Additionally, we have consolidated our North American Floorcare footprint by closing our Charlotte, NC facility and combining with our Consumer business in Anderson, SC. This is a good example of our efforts to balance innovation and drive improved profitability in the Floorcare business.

DIVIDEND

The Directors have recommended a final dividend of HK132.00 cents (approximately US16.99 cents) per share with a total of approximately US\$310,754,000 for the year ended December 31, 2025 (2024: HK118.00 cents (approximately US15.19 cents)) payable to the Company's shareholders whose names appear on the register of members of the Company on May 18, 2026. Subject to the approval by the shareholders at the forthcoming annual general meeting of the Company, the proposed final dividend is expected to be paid on or about June 26, 2026. This payment, together with the interim dividend of HK125.00 cents (approximately US16.09 cents) per share (2024: HK108.00 cents (approximately US13.90 cents)) paid on September 19, 2025, makes a total payment of HK257.00 cents (approximately US33.08 cents) per share for 2025 (2024: HK226.00 cents (approximately US29.09 cents)).

FINANCIAL REVIEW

FINANCIAL RESULTS

Result Analysis

The Group's revenue for the year amounted to US\$15.3 billion, an increase of 4.4% as compared to US\$14.6 billion in 2024. EBIT amounted to US\$1,336 million, an increase of 5.2% as compared to US\$1,270 million in 2024.

Profit attributable to Owners of the Company amounted to US\$1,198 million as compared to US\$1,122 million in 2024, an increase of 6.8%.

Basic earnings per share for the year was at US65.61 cents as compared to US61.43 cents in 2024.

Gross Margin

Gross margin improved to 41.2% as compared to 40.3% last year. The margin improvement was the result of mix impact of high margin business, focused profitability on consumer brands and operational improvements across all global manufacturing operations.

Operating Expenses

Total operating expenses for the year amounted to US\$4,967 million as compared to US\$4,642 million in 2024, representing 32.5% of turnover (2024: 31.7%). The increase was mainly due to our strategic investments in new products and technologies and non-recurring exit costs of the HART business.

Our R&D expenses amounted to US\$757 million, representing 5.0% of turnover (2024: 4.4%) reflecting our continuous focus on innovation, new products and technology and the write-off of HART's intangible assets.

Net interest expense for the year amounted to US\$34 million as compared to US\$54 million in 2024, representing 0.2% of turnover (2024: 0.4%). The decrease in net interest expense is the result of our efficient management of financial resources.

The effective tax rate, being tax charged for the year to before tax profits was at 8.0% (2024: 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\$7.0 billion as compared to US\$6.4 billion in 2024. Book value per share was at US\$3.80 as compared to US\$3.47 last year, an increase of 9.5%.

Financial Position

The Group continued to maintain a strong financial position. As at December 31, 2025, the Group's cash and cash equivalents amounted to US\$1,678 million (2024: US\$1,232 million), of which 36.1%, 31.4%, 16.1%, and 16.4% were denominated in EUR, US\$, AUD and other currencies respectively.

The Group generated Free Cash Flow of US\$1,395 million for the year as compared to US\$1,591 million last year. (Free Cash Flow equals net cash from operating activities, less purchase of property, plant and equipment, less additions to intangible assets, and adds proceeds from disposal of property, plant and equipment).

The Group's net gearing, expressed as a percentage of total net borrowing to equity attributable to Owners of the Company, was net cash as compared to 0.7% in 2024.

Bank Borrowings

Long term borrowings accounted for 64.4% of total debts (2024: 59.8%).

The Group's major borrowings continued to be in US\$. 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 US\$ and currency exposure therefore is low. Currency, interest rate exposures, and cash management functions are all being closely monitored and managed by the Group's treasury team.

Amongst the bank borrowings, fixed rate debts after interest rate hedging account for 80.2% of the total bank borrowings, the balance being floating rate debts.

Working Capital

Total inventory was at US\$4,452 million as compared to US\$4,076 million in 2024. Inventory days increased by 4 days from 102 days to 106 days. Finished goods inventory increased by 3 days mainly related to tariffs. Raw material inventory increased by 1 day to 16 days and work in progress inventory maintained at 3 days.

Trade receivable turnover days were at 46 days as compared to 47 days last year. The Group is comfortable with the quality of the receivables and will continue to exercise due care in managing the credit exposure.

Trade payable days maintained at 96 days.

Working capital as a percentage of sales was at 15.5% as compared to 14.4% in 2024.

Capital Expenditure

Total capital expenditures for the year amounted to US\$289 million (2024: US\$292 million) representing 1.9% of sales.

Capital Commitments and Guarantees

As at December 31, 2025, total capital commitments for the acquisition of property, plant and equipment and equity investment contracted for but not provided amounted to US\$153 million (2024: US\$167 million), and there were no material guarantees or off balance sheet obligations.

Charge

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

Major Customers and Suppliers

For the year ended December 31, 2025

- (i) the Group's largest customer and five largest customers accounted for approximately 45.4% and 53.3% respectively of the Group's total revenue; and
- (ii) the Group's largest supplier and five largest suppliers accounted for approximately 5.0% and 15.6% respectively of the Group's total purchases (not including purchases of items which are of a capital nature).

As far as the Directors are aware, none of the Directors, their associates or any shareholders who owned more than 5% of TTI's share capital had any interest in the five largest customers or suppliers of the Group.

HUMAN RESOURCES

The Group employed a total of 48,318 employees as at December 31, 2025 (2024: 46,580) in Hong Kong and overseas. Total staff cost for the year under review amounted to US\$2,896 million (2024: US\$2,726 million).

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.

CORPORATE STRATEGY AND BUSINESS MODEL

The Group is a world-class leader in design, manufacturing and marketing of power tools, outdoor power equipment and floorcare & cleaning products for consumers, professional and industrial users in the home improvement, infrastructure and construction industries. We are committed to implementing our long term strategic plan that focuses on “Powerful Brands, Innovative Products, Operational Excellence and Exceptional People”.

We continue to strengthen our portfolio of powerful brands with a focused marketing approach. Our extension into new product categories and under-represented markets enables us to generate outstanding growth. Geographic expansion will be a highlight of TTI’s future, our long term strategy is to aggressively build our business both inside and outside North America and we are relentlessly focused on expanding and establishing our presence in high potential markets around the world.

Introducing innovative new products is the centerpiece of our long term strategy. We continue to invest in building a high-speed product development process, enabling us to respond faster to customer requests and emerging opportunities, giving us a vigorous competitive advantage.

Our strategy in operational excellence will continue, we will drive further gains in efficiency across our manufacturing operations, supporting further margin improvement.

We continue to deploy our Leadership Development Program (LDP) to develop our pool of talent for the future. The LDP initiative is successfully feeding talent into key positions throughout the company.

REVIEW OF FINANCIAL INFORMATION

The Audit Committee has reviewed with senior management of the Group and Messrs Deloitte Touche Tohmatsu the accounting principles and practices adopted by the Group and has discussed internal controls and financial reporting matters, including a review of the Group’s consolidated financial statements for the year ended December 31, 2025. The Board acknowledges its responsibility for the preparation of the accounts of the Group.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF THE LISTING RULES

The Company has complied with all the code provisions of the Corporate Governance 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”) (the “Corporate Governance Code”) throughout the year ended December 31, 2025, save that 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.

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 year ended December 31, 2025.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Other than 2,425,000 shares and 1,675,000 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 Employee Equity Incentive Plan (details of which will be set out in the Report of the Directors to be included in the Company’s 2025 Annual Report) respectively, a total of 3,500,000 ordinary shares were bought back by the Company during the year at prices ranging from HK\$83.55 to HK\$106.20 per share. The consideration paid by the Company for such buy-backs of the shares of approximately US\$41,728,000 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 year 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.

Except as disclosed above, neither the Company nor any of its subsidiaries has, during the year, purchased, sold or redeemed any listed securities of the Company. As at December 31, 2025, the Company did not hold any treasury shares.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the following periods:

To ascertain members’ eligibility to attend and vote at the 2026 Annual General Meeting, the register of members of the Company will be closed from May 6, 2026 to May 8, 2026, both days inclusive, during which period no transfers of shares will be effected. In order to qualify to attend and vote at the 2026 Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrars, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:00 p.m. on May 5, 2026.

To ascertain members’ entitlement to the final dividend, the register of members of the Company will be closed on May 18, 2026 when no transfers of shares will be effected. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrars, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:00 p.m. on May 15, 2026.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on May 8, 2026 and the notice of the annual general meeting will be published and dispatched to the shareholders of the Company within the prescribed time and in such manner as required under the Listing Rules.

Outlook

With the #1 Professional and Consumer brands in the World, TTI is off to a strong start in 2026 and we look forward to another year of strong results. On a blended basis, we expect the core MILWAUKEE and RYOBI businesses to grow revenue mid-to-high single digits. This will be partially offset by the voluntary exit of the HART business (US\$156 million in 2025) and continued rationalization of the floorcare business.

In 2026, we expect to make good progress towards our internal target of 10% EBIT margin by 2027. TTI also expects to deliver a fourth consecutive year of over US\$1.0 billion in annual Free Cash Flow generation. This outlook does not include any impact from the US Supreme Court's decision to strike down IEEPA tariffs on February 20, 2026 and the US administration's follow-on introduction of flat minimum tariff on its global trading partners.

With the healthiest balance sheet in the Company's history, a diversified global manufacturing footprint, and stable capital spending requirements, we anticipate our ability to further increase returns to shareholders in the years to come.

By order of the Board
Horst Julius Pudwill
Executive Chairman

Hong Kong, March 3, 2026

As at the date of this announcement, the Board comprises six 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. Patrick Kin Wah Chan, 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).

All trademarks listed other than AEG and RYOBI are owned by the Group.

AEG is a registered trademark of AB Electrolux (publ.), and is used under license.

RYOBI is a registered trademark of Ryobi Limited, and is used under license.

RESULTS SUMMARY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2025

	<i>Notes</i>	2025 US\$'000	2024 US\$'000
Revenue	2	15,259,533	14,621,616
Cost of sales		(8,967,596)	(8,726,060)
<hr/>			
Gross profit		6,291,937	5,895,556
Other income	3	11,049	16,416
Interest income		63,032	72,295
Selling, distribution and advertising expenses		(2,718,771)	(2,503,697)
Administrative expenses		(1,491,139)	(1,489,877)
Research and development costs		(756,983)	(648,103)
Finance costs	4	(96,633)	(126,165)
<hr/>			
Profit before share of result of an associate and taxation		1,302,492	1,216,425
Share of result of an associate		(10)	(31)
<hr/>			
Profit before taxation		1,302,482	1,216,394
Taxation charge	5	(104,188)	(94,714)
<hr/>			
Profit for the year attributable to Owners of the Company	6	1,198,294	1,121,680
<hr/>			
Other comprehensive income (loss):			
Item that will not be reclassified subsequently to profit or loss, net of related income tax:			
Remeasurement of defined benefit obligations		1,513	(861)
Items that may be reclassified subsequently to profit or loss, net of related income tax:			
Fair value (loss) income on foreign currency forward contracts and cross-currency interest rate swaps in hedge accounting		(143,318)	97,960
Exchange differences on translation of foreign operations		160,548	(101,896)
<hr/>			
Other comprehensive income (loss) for the year		18,743	(4,797)
<hr/>			
Total comprehensive income for the year attributable to Owners of the Company		1,217,037	1,116,883
<hr/>			
Earnings per share (US cents)	8		
Basic		65.61	61.43
Diluted		65.41	61.08
<hr/>			

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

	<i>Notes</i>	2025 US\$'000	2024 US\$'000
Non-current assets			
Property, plant and equipment	<i>9 & 13</i>	2,244,108	2,248,541
Right of use assets		739,047	797,097
Goodwill		606,699	602,899
Intangible assets		1,247,924	1,369,494
Interest in an associate		2,015	2,025
Financial assets at fair value through profit or loss		8,790	8,769
Deposits		69,000	90,500
Finance lease receivables		-	3,685
Derivative financial instruments		8,800	8,785
Deferred tax assets		82,521	59,330
		5,008,904	5,191,125
Current assets			
Inventories		4,451,941	4,076,210
Right to returned goods asset		12,209	14,208
Trade and other receivables	<i>10</i>	2,005,331	1,993,138
Deposits and prepayments		193,542	199,440
Bills receivable		11,009	11,770
Finance lease receivables		3,721	7,566
Tax recoverable		13,510	3,950
Trade receivables from an associate		11,071	6,031
Derivative financial instruments		8,287	132,133
Financial assets at fair value through profit or loss		31,750	22,571
Bank balances, deposits and cash		1,677,729	1,232,347
		8,420,100	7,699,364
Current liabilities			
Trade and other payables	<i>11</i>	4,019,452	3,849,627
Bills payable		13,201	21,420
Warranty provision		287,327	252,752
Tax payable		133,039	90,830
Derivative financial instruments		52,973	17,119
Lease liabilities		155,024	150,844
Discounted bills with recourse		2,589	3,238
Unsecured borrowings - due within one year		345,063	509,850
Refund liabilities from right of return		25,153	23,354
		5,033,821	4,919,034
Net current assets		3,386,279	2,780,330
Total assets less current liabilities		8,395,183	7,971,455

	<i>Notes</i>	2025 US\$'000	2024 US\$'000
Capital and Reserves			
Share capital	<i>12</i>	691,887	689,684
Reserves		6,266,567	5,673,913
Equity attributable to Owners of the Company and total equity		6,958,454	6,363,597
Non-current Liabilities			
Lease liabilities		626,586	682,603
Unsecured borrowings - due after one year		629,671	763,650
Retirement benefit obligations		45,713	43,570
Other payables	<i>11</i>	103,732	87,997
Deferred tax liabilities		31,027	30,038
		1,436,729	1,607,858
Total equity and non-current liabilities		8,395,183	7,971,455

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2025

	2025 US\$'000	2024 US\$'000
Operating Activities		
Profit before taxation	1,302,482	1,216,394
Adjustments for:		
Amortization/write-off of intangible assets	422,597	323,801
Depreciation of property, plant and equipment	278,888	281,198
Depreciation of right of use assets	167,921	174,517
Fair value loss (gain) on foreign currency forward contracts	7,966	(10,217)
Fair value gain on acquisition right of certain property, plant and equipment	(15)	(701)
Impairment loss of property, plant and equipment	1,409	13,342
Fair value (gain) loss on listed equity securities	(4,655)	5,947
Finance costs	96,633	126,165
Gain on disposal of listed equity securities	(137)	-
Gain on early termination of leases	(111)	(95)
Loss on sub-lease modification	-	1,331
Impairment loss on right of use assets	1,574	-
Impairment loss on trade receivables under expected credit loss model	23,510	31,828
Interest income	(63,032)	(72,295)
Loss on disposal of property, plant and equipment	18,496	17,541
Share-based payments expense	39,310	58,811
Share of result of an associate	10	31
Write down of inventories	78,919	41,376
Operating cash flows before movements in working capital	2,371,765	2,208,974
Increase in inventories	(387,780)	(68,437)
Decrease (increase) in trade and other receivables, deposits and prepayments	20,915	(231,683)
Decrease (increase) in right to returned goods asset	1,999	(5,474)
Decrease (increase) in bills receivable	761	(3,347)
(Increase) decrease in trade receivables from an associate	(5,040)	896
Increase in trade and other payables	181,044	562,813
Increase in refund liabilities from right of return	1,799	7,139
(Decrease) increase in bills payable	(8,219)	2,996
Increase in warranty provision	22,756	22,177
Increase (decrease) in retirement benefit obligations	3,762	(3,809)
Net payment for purchase of shares for share award scheme	(48,879)	(39,448)
Cash generated from operations	2,154,883	2,452,797

	Note	2025 US\$'000	2024 US\$'000
Interest paid		(96,633)	(126,165)
Hong Kong Profits Tax paid		(1,043)	(1,992)
Overseas tax paid		(79,253)	(58,902)
Hong Kong Profits Tax refunded		176	11
Overseas tax refunded		1,051	1,897
Net Cash from Operating Activities		1,979,181	2,267,646
Investing Activities			
Additions to intangible assets		(300,904)	(394,905)
Interest received		63,032	72,295
Payment for early termination of leases		(577)	(592)
Proceeds from disposal of listed equity securities		246	-
Proceeds from disposal of property, plant and equipment		5,798	9,493
Purchase of club membership debentures		(32)	(53)
Purchase of listed equity securities		(4,633)	(2,404)
Purchase of property, plant and equipment		(288,961)	(291,503)
Repayment in finance lease receivables		7,530	1,432
Net Cash used in Investing Activities		(518,501)	(606,237)
Financing Activities			
(Decrease) increase in discounted bills with recourse		(649)	530
Dividends paid	7	(572,651)	(486,103)
New unsecured borrowings obtained		4,674,289	4,451,895
Proceeds from issue of shares		1,768	3,425
Repayment of lease liabilities		(161,822)	(164,020)
Repayment of unsecured borrowings		(4,980,524)	(5,100,986)
Payment for buy-back of shares		(41,728)	(37,521)
Net Cash used in Financing Activities		(1,081,317)	(1,332,780)
Net Increase in Cash and Cash Equivalents		379,363	328,629
Cash and Cash Equivalents at Beginning of the Year		1,232,347	953,240
Effect of Foreign Exchange Rate Changes		66,019	(49,522)
Cash and Cash Equivalents at End of the Year		1,677,729	1,232,347
Analysis of the Balances of Cash and Cash Equivalents			
Represented by:			
Bank balances, deposits and cash		1,677,729	1,232,347
		1,677,729	1,232,347

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Preparation and Material Accounting Policies

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as appropriate.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards.

The financial information relating to the years ended December 31, 2025 and 2024 included in this preliminary announcement of annual results 2025 do not constitute the Company's statutory annual consolidated financial statements for those years but are derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622) is as follows:

- The Company has delivered the financial statements for the year ended December 31, 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Cap. 622) and will deliver the financial statements for the year ended December 31, 2025 in due course.
- The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance (Cap. 622).

Application of New and Amendments to HKFRS Accounting Standards and Changes in Other Accounting Policies

Amendments to a HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2025 for the preparation of the Group's consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
-----------------------	-------------------------

The application of the amendments to a HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1. Basis of Preparation and Material Accounting Policies (continued)

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature Dependent Electricity ²
Amendment to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after January 1, 2026.

³ Effective for annual periods beginning on or after January 1, 2027.

Except for the new HKFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements* (“HKFRS 18”), which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements* (“HKAS 1”). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provides disclosures on management-defined performance measures (“MPMs”) in the notes to the financial statements and improves aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to Basis of Preparer of Financial statements upon effective of HKFRS 18) and HKFRS 7 *Financial Instruments: Disclosures*. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* were also made.

HKFRS 18, and amendments to other standards, will be effective for the annual period beginning on or after January 1, 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have a significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. Additional disclosures required for the Group’s MPMs will be disclosed in a separate note to the consolidated financial statements.

2. Segment Information

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resources allocation and assessment of segment performance focuses on the types of goods sold.

The principal categories of goods supplied are “Power Equipment” and “Floorcare & Cleaning”. The Group's operating segments under HKFRS 8 *Operating Segments* are as follows:

1. Power Equipment - sales of power tools, power tool accessories, outdoor products, and outdoor product accessories for consumer, trade, professional and industrial users. The products are available under the MILWAUKEE, AEG, RYOBI, HOMELITE and HART brands plus original equipment manufacturer (“OEM”) customers.
2. Floorcare & Cleaning - sales of floorcare products and floorcare accessories under the HOOVER, DIRT DEVIL, VAX and ORECK brands plus OEM customers.

Segment revenue and results

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

For the year ended December 31, 2025

	Power Equipment US\$'000	Floorcare & Cleaning US\$'000	Eliminations US\$'000	Consolidated US\$'000
Segment revenue				
External sales	14,447,714	811,819	-	15,259,533
Inter-segment sales	-	304	(304)	-
Total segment revenue	14,447,714	812,123	(304)	15,259,533

Inter-segment sales are charged at prevailing market rates.

Result				
Segment results	1,317,885	18,198	-	1,336,083
Interest income				63,032
Finance costs				(96,633)
Profit before taxation				1,302,482

2. Segment Information (continued)

For the year ended December 31, 2024

	Power Equipment US\$'000	Floorcare & Cleaning US\$'000	Eliminations US\$'000	Consolidated US\$'000
Segment revenue				
External sales	13,722,888	898,728	-	14,621,616
Inter-segment sales	-	13,300	(13,300)	-
Total segment revenue	13,722,888	912,028	(13,300)	14,621,616

Inter-segment sales are charged at prevailing market rates.

Result				
Segment results	1,241,881	28,383	-	1,270,264
Interest income				72,295
Finance costs				(126,165)
Profit before taxation				1,216,394

Segment results represent the profit earned or loss incurred by each segment without the 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.

Revenue from major products

The following is an analysis of the Group's disaggregated revenue from its major products:

	2025 US\$'000	2024 US\$'000
Power Equipment	14,447,714	13,722,888
Floorcare & Cleaning	811,819	898,728
Total	15,259,533	14,621,616

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

2. Segment Information (continued)

Geographical information

The Group's revenue from external customers by geographical location, determined based on the location of the customer by geographical location are detailed below:

	2025 US\$'000	2024 US\$'000
North America	11,440,559	11,078,856
Europe	2,630,172	2,323,133
Other countries	1,188,802	1,219,627
Total	15,259,533	14,621,616

Information about major customer

During the years ended December 31, 2025 and 2024, the Group's largest customer contributed total revenue of US\$6,926,606,000 (2024: US\$6,523,531,000), of which US\$6,896,372,000 (2024: US\$6,486,054,000) was under the Power Equipment segment and US\$30,234,000 (2024: US\$37,477,000) was under the Floorcare & Cleaning segment. There is no other customer contributing more than 10% of total revenue.

3. Other Income

Other income in both 2025 and 2024 mainly comprises of the sale of scrap materials and claims and reimbursements from customers and vendors.

4. Finance Costs

	2025 US\$'000	2024 US\$'000
Interest on:		
Unsecured borrowings	66,276	94,079
Lease liabilities	30,357	32,086
	96,633	126,165

5. Taxation Charge

	2025 US\$'000	2024 US\$'000
The total tax charge comprises:		
Hong Kong Profits Tax	(444)	(1,654)
Overseas taxation	(111,786)	(100,603)
Deferred tax	8,042	7,543
	(104,188)	(94,714)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

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

The Group is subject to the global minimum top-up tax 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 and the United Arab Emirates, where the annual effective income tax rate is below 15%. Therefore, a top-up tax is accrued in the current period using the top-up tax rate and based on the jurisdictional estimated adjusted covered taxes and net globe income for the year. The Group has recognized current tax expenses related to the Pillar Two Rules for the year ended December 31, 2025 which are expected to be levied on the Company and a subsidiary in the United Arab Emirates.

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

6. Profit for the Year

	2025 US\$'000	2024 US\$'000
Profit for the year has been arrived at after charging:		
Amortization of intangible assets	221,169	207,583
Depreciation of property, plant and equipment	278,888	281,198
Staff costs	2,895,620	2,725,853

7. Dividends

	2025 US\$'000	2024 US\$'000
Dividends recognized as distributions during the year:		
Final dividend paid:		
2024: HK118.00 cents (approximately US15.19 cents) (2023: HK98.00 cents (approximately US12.61 cents)) per share	278,154	231,392
Interim dividend paid:		
2025: HK125.00 cents (approximately US16.09 cents) (2024: HK108.00 cents (approximately US13.90 cents)) per share	294,497	254,711
	572,651	486,103

The final dividend of HK132.00 cents (approximately US16.99 cents) per share with a total of approximately US\$310,754,000 in respect of the year ended December 31, 2025 (2024: final dividend of HK118.00 cents (approximately US15.19 cents) per share in respect of the year ended December 31, 2024) has been proposed by the directors of the Company and is subject to approval by the shareholders in the Annual General Meeting.

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:

	2025 US\$'000	2024 US\$'000
Earnings for the purposes of basic and diluted earnings per share:		
Profit for the year attributable to Owners of the Company	1,198,294	1,121,680
Weighted average number of ordinary shares for the purpose of		
basic earnings per share	1,826,385,656	1,826,072,714
Effect of dilutive potential ordinary shares:		
Share options	3,382,448	4,480,538
Share awards	2,318,354	5,935,742
Weighted average number of ordinary shares for the purpose of		
diluted earnings per share	1,832,086,458	1,836,488,994

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 where 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 years.

9. Additions of Property, Plant and Equipment

During the year, the Group spent approximately US\$289 million (2024: US\$292 million) on the acquisition of property, plant and equipment.

10. Trade and Other Receivables

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

	2025 US\$'000	2024 US\$'000
0 to 60 days	1,568,132	1,514,752
61 to 120 days	310,357	314,890
121 days or above	57,709	54,489
Total trade receivables	1,936,198	1,884,131
Other receivables	69,133	109,007
	2,005,331	1,993,138

11. Trade and Other Payables

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

	2025 US\$'000	2024 US\$'000
0 to 60 days	1,185,050	1,202,460
61 to 120 days	560,452	585,127
121 days or above	58,547	63,270
Total trade payables	1,804,049	1,850,857
Other payables	2,319,135	2,086,767
Total trade and other payables	4,123,184	3,937,624
Non-current portion of other payables	(103,732)	(87,997)
	4,019,452	3,849,627

The credit period on the purchase of goods ranges from 30 days to 120 days (2024: 30 days to 120 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

12. Share Capital

	2025	2024	2025	2024
	Number of shares	Number of shares	US\$'000	US\$'000
Ordinary shares				
Issued and fully paid:				
At the beginning of the year	1,832,304,941	1,834,317,941	689,684	685,392
Issue of shares upon exercise of share options	405,000	987,000	2,203	4,292
Buy-back of shares	(3,500,000)	(3,000,000)	-	-
At the end of the year	1,829,209,941	1,832,304,941	691,887	689,684

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

Month of buy-back	No. of ordinary shares	Price per share		Aggregate consideration paid US\$'000
		Highest HK\$	Lowest HK\$	
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

During the year, the consideration paid on the buy-back of the shares of approximately US\$41,728,000 was charged to retained profits.

During 2024, the Company bought back and cancelled its own shares through the Stock Exchange as follows:

Month of buy-back	No. of ordinary shares	Price per share		Aggregate consideration paid US\$'000
		Highest HK\$	Lowest HK\$	
January 2024	500,000	88.00	86.00	5,629
May 2024	1,000,000	105.00	99.20	13,147
June 2024	1,000,000	97.70	91.55	12,184
July 2024	250,000	89.35	88.55	2,870
October 2024	250,000	116.20	113.40	3,691
	3,000,000			37,521

The consideration paid on the buy-back of the shares of approximately US\$37,521,000 was charged to retained profits in 2024.

13. Capital Commitments

	2025 US\$'000	2024 US\$'000
Capital expenditure in respect of the acquisition of property, plant and equipment and equity investment contracted for but not provided in the consolidated financial statements	152,926	166,875