Hong Kong |Industrial

5 August 2026

Techtronic Industries (669 HK)

A solid set of 1H26 results

- **A solid set of 1H26 results with revenue reached US$8.3bn (+5.9% YoY) while reported NP amounted to US$738.4m (+17.5% YoY)**
- **GPM expanded 2.6ppt to 42.9% in 1H26**
- **An interim DPS of HK$150cents was declared**

A record 1H26 sales with clear margin improvement

Techtronic Industries (TTI) announced its 1H26 results with net profit increased by 17.5% YoY to US$738.4m on the back of 5.9% YoY increase in revenue to US$8.3bn.

1H26 growth was heavily led by core brands MILWAUKEE and RYOBI, which achieved a combined 8.2% underlying local currency growth rate. However, the topline growth was offset by a 19.4% decline in non-core businesses, driven by the 2025 exit from the HART business and ongoing production rationalization.

1H26 GPM enhanced by 2.6ppt to 42.9% in 1H26. Adjusting the normalized 1H25 GPM of 41.2% for peak tariffs and the HART exit, underlying GPM expanded 1.6ppt, successfully absorbing higher costs through the full annualization of tariff-mitigation strategies, productivity gains, favorable product mix, and margin accretion across EMEA and Australia.

Sound capital management

In 1H26, CAPEX stood at US$92m, essentially flat YoY, reflecting disciplined investments in new product development, global manufacturing network rebalancing, automation and operation productivity. Driven by planned capacity expansions in Vietnam and the Americas over the next 12 to 18 months, TTI expects capital spending to remain broadly stable as a percentage of sales moving forward. Concurrently, the company generated US$753m in positive FCF in 1H26, concluding the 1H26 with a robust US$1.1bn net cash.

MILWAUKEE and RYOBI led 1H26 growth

TTI's Professional segment registered 9.7% YoY growth to US$5.9bn. Performance was anchored by continued momentum across major business lines, led by personal protective equipment (PPE), which significantly outperformed the portfolio average. Demand for productivity and safety solutions remains robust across diverse, high-demand end-use environments. MILWAUKEE continues to capitalize on its commitment to the skilled trades.

The sales from Consumer segment, however decreased by 2.5% YoY to US$2.4bn in 1H26. This was mainly due to the exit of HART business and the streamlining of Floorcare alongside other tertiary product lines. Worth noting, the portfolio rationalization drove meaningful margin accretion as segment EBIT recorded an impressive growth of 15.8% while its EBIT margin expanded 1.3ppt to a healthy level of 8.5%. TTI's flagship RYOBI franchise demonstrated resilient growth with 1.7% in local currency, anchored by strong mid-single digit expansion in Power Tools. This core growth was partially tempered by flat performance in the Outdoor category, a result of challenging weather dynamics across EMEA and some U.S. regions, coupled with the timing of seasonal channel inventory load-ins.

RYOBI continues to solidify its market position through deep, long-standing partnerships with premier global retailers, including The Home Depot in North America, Bunnings in Australia and New Zealand, and leading distribution partners throughout Europe, providing a robust platform for continued market share expansion. Alongside these core relationships, the brand is actively laying the groundwork for early-stage market penetration in Latin America and Asia. The ongoing diversification of the global supply chain is expected to enhance its overall operational flexibility, optimize cost structures, and consequently improve Consumer segment profitability.

Based on Bloomberg consensus, TTI is currently trading at 23.1x FY26 and 20.1x FY27 PE.

NON-RATED

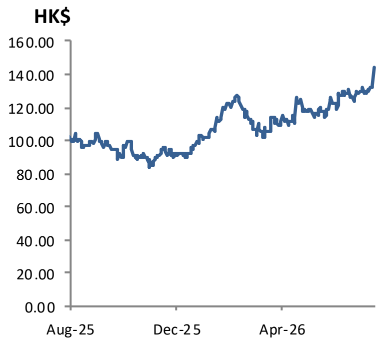
Last Price (HK$)*	143.80
Target Price (HK$)	**N/A**
Upside / (Downside)(%)	N/A
Previous rating	*NON-RATED*
Previous TP	*N/A*
Hang Seng Index*	25,915.82
** Prices as of*	*5-Aug-26*

Key Data

Ticker	669 HK
Market Cap (HK$m)	262,826
3M avg daily T/O (HK$m)	702.4
52-week High (HK$)	145.00
52-week Low (HK$)	83.20
Free Float (%)	75.8%
Shares O/S (m)	1,827.7

Performance	Absolute	Relative
1 month	11.8%	0.7%
3 months	29.9%	29.8%
6 months	26.8%	31.6%

Price Chart



Source: Bloomberg

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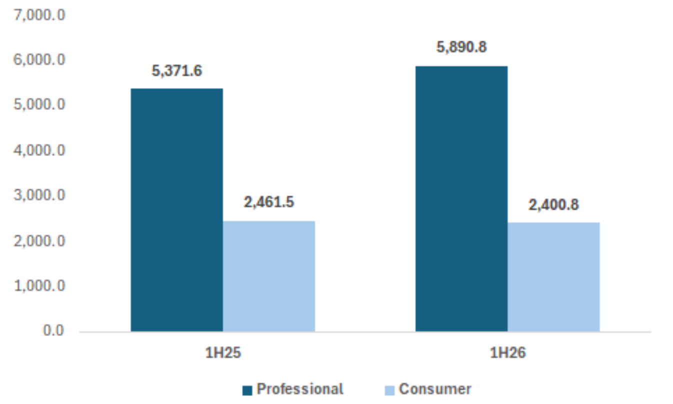
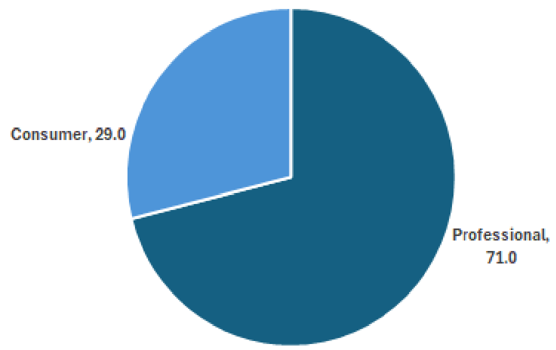
Figure 1 Revenue breakdown by business segment (i)



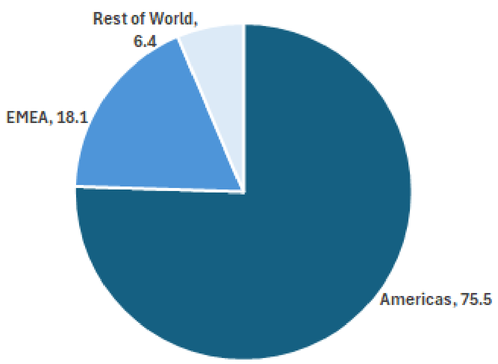
Source: Company data

Figure 2 Revenue breakdown by business segment (ii)



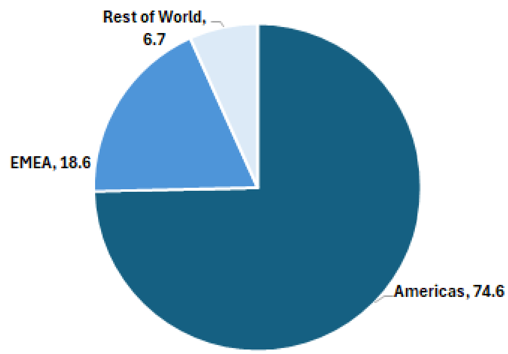
Source: Company data

Figure 3 Geographical breakdown (1H25)



Source: Company data

Figure 4 Geographical breakdown (1H26)



Source: Company data

Figure 5 Profit and loss statement

Year ended Dec (US$m)	1H25	1H26	*YoY change (%)*
Revenue	**7,833.1**	**8,291.6**	***5.9***
Cost of sales	(4,677.3)	(4,737.1)	
Gross profit	**3,155.8**	**3,554.5**	***12.6***
Other income	5.3	6.9	
Interest income	29.9	15.0	
Selling, distribution and advertising expenses	(1,349.8)	(1,583.2)	
Administrative expenses	(742.9)	(773.0)	
R&D costs	(359.2)	(383.0)	
Finance costs	(57.7)	(34.5)	
Operating profit	**681.4**	**802.5**	***17.8***
Share of results of an associate	0.1	0.1	
Tax	(53.2)	(64.2)	
Net profit	**628.3**	**738.4**	***17.5***

Source: Company data

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