

May 17, 2007



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Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549  
USA

Attention Filer Support  
Mail Stop 1-4

Ladies and Gentlemen:

**SUPL**



**SEC FILE NO. 82-3648**

**PROCESSED**

Re: Techtronic Industries Company Limited  
Information Furnished Pursuant to Rule 12g3-2(b)  
under the Securities Exchange Act

**MAY 31 2007**  
**THOMSON**  
**FINANCIAL**

On behalf of Techtronic Industries Company Limited (the "Company"), S.E.C. File No. 82-3648, the enclosed copies of documents are submitted to you in order to maintain the Company's exemption from Section 12(g) of the Securities Exchange Act of 1934 (the "Act") pursuant to Rule 12g3-2(b) under the Act:

- (1) The Company's joint announcement regarding mandatory conditional general offer made by Platinum Securities Company Limited, on behalf of Cordless Industries Inc. to acquire all of the issued shares in the capital of Techtronic Industries Company Limited not already owned by Cordless Industries Inc. and parties acting in concert with it, dated May 14, 2007, published (in the English language) in The Standard and published (in the Chinese language) in Hong Kong Economic Times, both on May 15, 2007.

The part of the enclosed document that is in Chinese substantially restates the information appearing elsewhere in English.

*llw 5/24*

Herewith

We would appreciate your acknowledging receipt of the foregoing by stamping and returning the enclosed copy of this letter. A self-addressed and stamped envelope is enclosed for your convenience.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Simon Luk', written in a cursive style.

Simon Luk

Enclosures

cc: Techtronic Industries Company Limited

19056\0001\39sec.doc

**Cordless Industries Inc.**

(Incorporated in the British Virgin Islands)



**Techtronic Industries Co. Ltd.**

(Incorporated in Hong Kong with limited liability)  
 (Stock code: 669)

**JOINT ANNOUNCEMENT**

**Mandatory conditional general offer made by  
 Platinum Securities Company Limited,  
 on behalf of  
 Cordless Industries Inc.  
 to acquire all of the issued shares in the capital of  
 Techtronic Industries Company Limited  
 not already owned by Cordless Industries Inc.  
 and parties acting in concert with it  
 Financial Adviser to Cordless Industries Inc.**



**PLATINUM  
 Securities**

**1. Introduction**

On 14 May 2007, TTI received notices in writing from Horst Julius Pudwill and Roy Chi Ping Chung stating that they have exercised on 14 May 2007 the TTI Options granted to them on 28 June 2002 under the TTI Share Option Scheme, which was adopted by the TTI Shareholders at a general meeting on 28 March 2002, at the exercise price of HK\$3.60 per TTI Share. As a result of the exercise of these TTI Options, Horst Julius Pudwill and Roy Chi Ping Chung will acquire in aggregate 38,592,000 TTI Shares, representing approximately 2.56% of the enlarged issued share capital of TTI. As a result of the exercise of these TTI Options, the Offeror and its Concert Parties will own in aggregate 457,633,742 TTI Shares, representing approximately 30.41% of the enlarged issued share capital of TTI and the Offeror is required to make a mandatory conditional general offer for all the issued TTI Shares, other than those TTI Shares already owned by the Offeror and its Concert Parties pursuant to Rule 26.1 of the Code.

The Offeror and TTI jointly announce that Platinum, on behalf of the Offeror, intends to make a mandatory conditional general offer to acquire all of the issued shares in the share capital of TTI not already owned by the Offeror and its Concert Parties.

**2. Consideration for the Offer**

The consideration in respect of the Offer is as follows:

For each TTI Share ..... HK\$3.60 in cash

The Offeror shall make an offer (the *TTI Option Offer*) to all holders of TTI Options, excluding its Concert Parties, to cancel their existing TTI Options. As the exercise prices of the outstanding TTI Options range from HK\$7.625 to HK\$19.20 per TTI Share, the TTI Options are currently "out of the money" in relation to the price of the Offer. Further, the TTI Options are non-assignable and non-transferable. Based on the above factors, the consideration for the TTI Option Offer is set at a nominal value of HK\$0.001 in cash for each TTI Option.

The Offeror shall make an offer (the *TTI Bond Offer*) to all holders of TTI Bonds to acquire their existing TTI Bonds as follows:

For each TTI Bond with a face value of HK\$7,797.70 (applying the conversion rate of US\$1.00 = HK\$7.7977

as stipulated in the offering circular for the TTI Bonds dated 6 July 2004) (based on the offer price of

HK\$3.60 per TTI Share divided by the initial conversion price of HK\$16.56 per TTI Share) ..... HK\$1,695.20 in cash

The Offeror shall make an offer (the *TTI ADR Offer*) to acquire the TTI ADRs, excluding those held by its Concert Parties, as follows:

For each TTI ADR ..... HK\$18.00 in cash

which will be converted into US dollars, less a cancellation fee of up to US\$0.05 per TTI ADR, the US Depository's fees and any applicable transfer fees, expenses in relation to currency conversion, taxes and governmental charges.

Each of the TTI Option Offer, the TTI Bond Offer and the TTI ADR Offer shall be made conditional upon the Offer becoming or being declared unconditional.

**3. Condition of the Offer**

The Offer is conditional upon valid acceptances having been received at or before 4:00 p.m. on the Closing Date (or such other time as the Offeror may, subject to the Code, decide) which would result in the Offeror and its Concert Parties holding more than 50% of the voting rights in TTI.

**4. Despatch of Composite Document**

The Offeror and TTI intend to combine the Offer Document with the Response Document for despatch to TTI Shareholders. The Composite Document, which will contain details of the Offer, is expected to be despatched to TTI Shareholders within 21 days from the date of this Announcement. The Composite Document will include the expected timetable in relation to the Offer.

**WARNING: TTI Shareholders and investors generally should exercise caution when dealing in the securities of TTI.**

**INTRODUCTION**

On 14 May 2007, TTI received notices in writing from Horst Julius Pudwill and Roy Chi Ping Chung stating that they have exercised on 14 May 2007 the TTI Options granted to them on 28 June 2002 under the TTI Share Option Scheme, which was adopted by the TTI Shareholders at a general meeting on 28 March 2002, at the exercise price of HK\$3.60 per TTI Share.

These TTI Options were issued in compliance with Chapter 17 of the Hong Kong Listing Rules. At the time these TTI Options were issued, the exercise price of these TTI Options was HK\$7.20 per TTI Share. At a general meeting held on 28 May 2004, the TTI Shareholders approved and adopted a proposal that each of the then existing issued and unissued TTI Shares (then shares of HK\$0.20 each in the share capital of TTI) be subdivided into two shares of HK\$0.10 each in the share capital of TTI. The circular relating to the general meeting held on 28 May 2004 is dated 28 April 2004. As a result of which, the exercise prices of and the number of outstanding TTI Options at that time were also adjusted after TTI consulted its auditors on the method of the calculation for the adjustments to the exercise price of and the number of the outstanding TTI Options at the time. The exercise price of the TTI Options granted to Horst Julius Pudwill and Roy Chi Ping Chung on 28 June 2002 under the TTI Share Option Scheme was adjusted from HK\$7.20 to HK\$3.60 per TTI Share. Details relating to the share subdivision and the adjustments to the exercise price of and the number of the outstanding TTI Options can be found in the announcement of TTI made on 28 May 2004.

As a result of the exercise of the TTI Options granted to them on 28 June 2002 under the TTI Share Option Scheme, Horst Julius Pudwill and Roy Chi Ping Chung will acquire in aggregate 38,592,000 TTI Shares, representing approximately 2.56% of the enlarged issued share capital of TTI. As a result of the exercise of these TTI Options, the Offeror and its Concert Parties will own in aggregate 457,633,742 TTI Shares, representing approximately 30.41% of the enlarged issued share capital of TTI and the Offeror is required to make a mandatory conditional general offer for all the issued TTI Shares, other than those TTI Shares already owned by the Offeror and its Concert Parties pursuant to Rule 26.1 of the Code. Under the TTI Share Option Scheme, Horst Julius Pudwill and Roy Chi Ping Chung are expected to be issued the 38,592,000 TTI Shares within no later than 10 business days after receipt by TTI of the written notices from Horst Julius Pudwill and Roy Chi Ping Chung.

The Offeror and TTI jointly announce that Platinum, on behalf of the Offeror, intends to make a mandatory conditional general offer to acquire all of the issued shares in the share capital of TTI not already owned by the Offeror and its Concert Parties.

The Offer is made in compliance with the Code, which is administered by the Executive.

**THE OFFER**

TTI Shareholders who accept the Offer will be entitled to a consideration as follows:

For each TTI Share ..... HK\$3.60 in cash

## Comparisons of value

The consideration of HK\$3.60 in cash per TTI Share under the Offer represents:

- a discount of approximately 66.70%, 66.64% and 65.35% over the average closing prices of HK\$10.81, HK\$10.79 and HK\$10.39 per TTI Share, being the average closing prices of TTI Shares as quoted on the Stock Exchange for the 10, 20 and 30 trading days respectively immediately prior to and including the last trading day prior to the date of this Announcement; and
- a discount of approximately 66.91% over the closing price of each TTI Share of HK\$10.88, as quoted on the Stock Exchange on 14 May 2007, being the last trading day for TTI Shares prior to the date of this Announcement.

## Highest and lowest prices

The highest and lowest closing price of the TTI Shares as quoted on the Stock Exchange during the 12 months period preceding the last trading day of the Announcement were HK\$13.75 per TTI Share on 15 May 2006 and HK\$9.10 per TTI Share on 4 August 2006 respectively.

## Consideration for TTI Shares

On the basis of the consideration of HK\$3.60 per TTI Share under the Offer, the entire issued share capital of 1,143,906,494 TTI Shares (on a fully diluted basis, excluding TTI Shares held by the Concert Parties, assuming that the outstanding 30,567,000 TTI Options, excluding those held by the Concert Parties, are exercised in full and all the outstanding TTI Bonds are converted into 65,922,584 TTI Shares), is valued at approximately HK\$4,118 million.

## Outstanding TTI Options

As at the date of this Announcement, there are 30,567,000 outstanding TTI Options, excluding those held by the Concert Parties. If these TTI Options are exercised in full, TTI will have to issue 30,567,000 TTI Shares, representing approximately 2% of the enlarged issued share capital of TTI.

The Offeror shall make an offer to all holders of TTI Options, except to the Concert Parties, to cancel their existing TTI Options. As the exercise prices of the outstanding TTI Options range from HK\$7.625 to HK\$19.20 per TTI Share, the TTI Options are currently "out of the money" in relation to the price of the Offer. Further, the TTI Options are non-assignable and non-transferable. Based on these factors, the consideration for the TTI Option Offer is set at a nominal value of HK\$0.001 in cash for each TTI Option. The TTI Option Offer shall be made conditional on the Offer becoming or being declared unconditional.

## Outstanding TTI Bonds

As at the date of this Announcement, there are US\$140 million worth of outstanding TTI Bonds. If these TTI Bonds are converted into TTI Shares, TTI will have to issue 65,922,584 TTI Shares, representing approximately 4.20% of the enlarged issued share capital of TTI.

The Offeror shall make an offer to all holders of TTI Bonds to acquire their existing TTI Bonds as follows:

For each TTI Bond with a face value of HK\$7,797.70 (applying the conversion rate of US\$1.00 = HK\$7.7977 as stipulated in the offering circular for the TTI Bonds dated 6 July 2004) (based on the offer price of HK\$3.60 per TTI Share divided by the initial conversion price of HK\$16.56 per TTI Share) ..... HK\$1,695.20 in cash

The TTI Bond Offer shall be made conditional on the Offer becoming or being declared unconditional.

## TTI ADRs

As at the date of this Announcement, there are 5,492,179 TTI ADRs in issue. Each TTI ADR represents 5 TTI Shares.

The Offeror shall make an offer to acquire the TTI ADRs, excluding those held by its Concert Parties, as follows:

For each TTI ADR ..... HK\$18.00 in cash which will be converted into US dollars, less a cancellation fee of up to US\$0.05 per TTI ADR, the US Depository's fees and any applicable transfer fees, expenses in relation to currency conversion, taxes and governmental charges.

The TTI ADR Offer shall be made conditional on the Offer becoming or being declared unconditional.

## Settlement of consideration

Settlement of the consideration will be made within ten days of the later of the date on which the Offer becomes or is declared unconditional in all respects and the date of receipt of a duly completed acceptance.

## CONFIRMATION OF FINANCIAL RESOURCES

The maximum cash amount to be paid to the TTI Shareholders in connection with the Offer (assuming that the outstanding TTI Options, excluding those held by the Concert Parties, are exercised in full and all the outstanding TTI Bonds are converted) is HK\$4,118,063,378.40 in cash.

The amount of HK\$4,118,063,378.40 will be funded by a facility not exceeding HK\$4,118,063,382 from Citigroup and HSBC Platinum, as the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to meet full acceptance of the Offer as described above.

## CONDITION OF THE OFFER

The Offer is conditional upon valid acceptances having been received at or before 4:00 p.m. on the Closing Date (or such other time as the Offeror may, subject to the Code, decide) which would result in the Offeror and its Concert Parties holding more than 50% of the voting rights in TTI.

## IRREVOCABLE COMMITMENTS

Neither the Offeror nor its Concert Parties have received an irrevocable commitment to accept the Offer.

## LISTING STATUS OF TTI

The Offeror intends that TTI shall remain listed on the Stock Exchange after the close of the Offer. The directors of the Offeror will jointly and severally undertake to the Stock Exchange to take the appropriate steps to ensure that sufficient public float exists in TTI Shares.

The Stock Exchange has stated that if, at the close of the Offer, less than 25% of the TTI Shares are held by the public, or if the Stock Exchange believes that:

(a) a false market exists or may exist in the trading of TTI Shares; or

(b) there are insufficient TTI Shares in public hands to maintain an orderly market,

then it will consider exercising its discretion to suspend trading in TTI Shares until a level of sufficient public float is attained.

## INTENTIONS IN RELATION TO TTI

It is the intention of the Offeror that TTI continues its principal business activities and that the existing management of TTI will carry out the management and daily operations of TTI. The Offeror currently has no intention to inject any material assets or businesses into TTI or to dispose of any material assets or businesses of TTI. The Offeror currently does not intend to make any changes to the current board composition and the management structure of TTI.

## INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands on 2 May 2007. The Offeror is an investment holding company established for the purpose of making the Offer and has not conducted any business or acquired any assets. The Offeror's directors are Horst Julius Pudwill and Roy Chi Ping Chung.

The Offeror has an authorised share capital of US\$50,000. The Offeror has 3 issued shares of US\$1.00 each. Horst Julius Pudwill owns 2 issued shares and Roy Chi Ping Chung owns 1 issued share in the Offeror.

## INFORMATION ON TTI

TTI was incorporated on 24 May 1985 under the laws of Hong Kong and was listed on the Stock Exchange on 17 December 1990. TTI is the holding company of the TTI Group.

TTI is a world-leading producer of quality consumer and professional products marketed for the home improvement and construction industries. TTI produces a wide range of innovative products that include power tools and power tool accessories, outdoor power equipment, floor care, and laser and electronic products.

TTI products are distributed globally through home centers, major retailers, full-line tool distributors, and other channels under leading brands that include Milwaukee®, AEG®, Ryobi®, Homelite®, Hoover®, Dirt Devil®, and Vax®. In addition, TTI has an important contract manufacturing business partnering with leading brand name companies and private label retail brands throughout North America and Europe.

## Relevant Securities in issue of TTI

As at the date of this Announcement, there are (i) 1,466,458,652 TTI Shares in issue, (ii) 71,219,000 outstanding TTI Options in issue (including the 38,592,000 TTI Options exercised by Horst Julius Pudwill and Roy Chi Ping Chung on 14 May 2007), (iii) US\$140 million worth of outstanding TTI Bonds in issue and (iv) 5,492,179 TTI ADRs in issue. Other than TTI Shares, TTI Options, TTI Bonds and TTI ADRs, there are no other classes of securities in the share capital of TTI in issue.

## Independent Board Committee

An independent board committee comprising the non-executive directors of TTI who are independent of the Offeror and its Concert Parties has been appointed to advise the TTI Shareholders in respect of the Offer. The independent board committee of TTI will approve the appointment of an independent financial adviser to advise the independent board committee of TTI in respect of the Offer. A further announcement will be made by TTI in relation to the appointment of such independent financial adviser.

Further information in relation to TTI will be contained in the Composite Document to be sent to TTI Shareholders.

## FURTHER TERMS OF THE OFFER

### TTI Shares

The TTI Shares will be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date of this Announcement.

### Hong Kong stamp duty

Hong Kong stamp duty at a rate of HK\$1 for every HK\$1,000 (or part thereof) of the consideration payable will be deducted from the cash amount payable to TTI Shareholders who accept the Offer. The Offeror will then pay the stamp duty deducted to the stamp duty office on behalf of the accepting TTI Shareholders.

## GENERAL MATTERS RELATING TO THE OFFER

### Availability of the Offer

The Offeror intends to make available the Offer to all holders of TTI Shares, including those with registered addresses, as shown on the register of members of TTI, who are outside Hong Kong. The availability of the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

In addition, the Offeror also reserves the right to notify any matter, including the making of the Offer, to the holders of TTI Shares having a registered overseas address by announcement or by advertisement in a newspaper which may or may not be circulated in the jurisdiction of which such shareholders are resident. The notice will be deemed to have been sufficiently given, despite any failure by such shareholders to receive or see that notice.

In the event that the receipt of the Composite Document by overseas TTI Shareholders is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that the directors of the Offeror regard as unduly onerous or burdensome, the Composite Document will not be despatched to such overseas TTI Shareholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Code at such time.

Any arrangement for overseas TTI Shareholders to collect the Composite Document will be set out in a further announcement.

#### Composite Document

It is expected that the Composite Document, setting out the terms of the Offer, and other details, together with the acceptance and transfer form in respect of the Offer, will be despatched to TTI Shareholders within 21 days from the date of this Announcement.

#### Further agreement or arrangements

The Offeror confirms that there are no other arrangements (whether by way of option, indemnity or otherwise) in relation to TTI Shares and which might be material to the Offer. TTI confirms that there are no other arrangements (whether by way of option, indemnity or otherwise) in relation to TTI Shares and which might be material to the Offer.

The Offeror confirms that there are no agreements or arrangements to which it is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer.

#### Completion of the Offer

If the condition to the Offer is not satisfied on or before the Closing Date, the Offer will lapse unless extended by the Offeror. In that case, the Offeror will issue an announcement in accordance with the Code and the Hong Kong Listing Rules as soon as practicable thereafter.

If the condition to the Offer is satisfied, the TTI Shareholders will be notified by an announcement in accordance with the Code and the Hong Kong Listing Rules as soon as practicable thereafter.

#### Interests in TTI Shares and derivatives

As at the date of this Announcement, the Offeror and its Concert Parties own or control or direct the following TTI Shares:

Name	Nature of Interests	Shareholdings before completion of exercise of TTI Options		Shareholdings after completion of exercise of TTI Options	
		Interest in TTI Shares	Approximate percentage of Interests	Interests in TTI Shares	Approximate percentage of Interests
Horst Julius Pudwill	Beneficial owner	77,609,500	5.29%	103,337,500	6.87%
	Interests of spouse, Barbara Pudwill	760,000	0.05%	760,000	0.05%
	Interests of controlled corporation, Sunning Inc. (100% owned by Horst Julius Pudwill)	185,584,764	12.66%	185,584,764	12.33%
	Interests of controlled corporation, Cordless Industries Company Limited (70% owned by Horst Julius Pudwill)	25,952,521	1.77%	25,952,521	1.72%
Roy Chi Ping Chung	Beneficial owner	113,541,948	7.74%	126,405,948	8.40%
	Interests of spouse, Li Oi King	136,000	0.01%	136,000	0.01%
	Interests of controlled corporation, Cordless Industries Company Limited (30% owned by Roy Chi Ping Chung)	11,122,509	0.76%	11,122,509	0.74%
Stephan Horst Pudwill	Beneficial owner	4,054,500	0.28%	4,054,500	0.27%
Christopher Horst Pudwill	Beneficial owner	280,000	0.02%	280,000	0.02%
Sub-Total (Offeror and its Concert Parties)		419,041,742	28.58%	457,633,742	30.41%
Public Shareholders		1,047,416,910	71.42%	1,047,416,910	69.59%
Total:		1,466,458,652	100%	1,505,050,652	100%

Prior to the exercise of the TTI Options granted to Horst Julius Pudwill and Roy Chi Ping Chung on 28 June 2002 under the TTI Share Option Scheme, at the exercise price of HK\$3.60 per TTI Share, the Offeror and its Concert Parties owned approximately 28.58% of the issued share capital of TTI. Upon the exercise of these TTI Options, Horst Julius Pudwill and Roy Chi Ping Chung will acquire 38,592,000 TTI Shares, representing approximately 2.56% of the enlarged issued share capital of TTI. Following the exercise of these TTI Options, the Offeror and its Concert Parties will own in aggregate 457,633,742 TTI Shares, representing approximately 30.41% of the enlarged issued share capital.

As at the date of this Announcement, the Offeror and its Concert Parties held the following TTI Options:

Name	Date on which TTI Options were granted	Outstanding unexercised TTI Options as at the date of this Announcement	Subscription Price in HK\$	Exercise Period	
Horst Julius Pudwill	19.9.2003	560,000	8.685	19.9.2003 to 18.9.2008	
	25.2.2004	400,000	12.170	25.2.2004 to 24.2.2009	
Roy Chi Ping Chung	19.9.2003	560,000	8.685	19.9.2003 to 18.9.2008	
	25.2.2004	400,000	12.170	25.2.2004 to 24.2.2009	
Stephan Horst Pudwill	1.3.2004	100,000	12.525	1.3.2004 to 28.2.2009	
Christopher Horst Pudwill	17.7.2003	20,000	7.625	17.7.2003 to 16.7.2008	
	1.3.2004	20,000	12.525	1.3.2004 to 28.2.2009	

If the Offer becomes or is declared unconditional, pursuant to the terms of the TTI Share Option Scheme adopted by the TTI Shareholders at a general meeting on 28 March 2002, all the holders of TTI Options shall be entitled to exercise their outstanding TTI Options in full even though the period for exercising these TTI Options has not come into effect.

Save for dealings and holdings for the account of non-discretionary clients of Platinum, Platinum does not have any shareholdings or dealings in TTI.

Save as disclosed above, neither the Offeror nor its Concert Parties owns or controls any TTI Shares or has options to acquire (or other outstanding derivatives in respect of) any TTI Shares.

Save as disclosed in this Announcement, the Offeror and its Concert Parties have not had any dealings for value in the TTI Shares, or convertible securities or options (or other outstanding derivatives in respect thereof) of any TTI Shares during the six-month period up to and including the date of this Announcement.

#### IMPORTANT NOTE FOR US INVESTORS

The Offer will be for the securities of a corporation organised under the laws of the Hong Kong and will be subject to the procedure and disclosure requirements of Hong Kong, which are different from those of the United States. The financial information to be included in the Composite Document has not been, and will not be, prepared in accordance with generally accepted accounting principles in the United States (US GAAP) and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with US GAAP. The Offer is subject to disclosure and other procedural requirements, including with respect to withdrawal rights, the offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

It may be difficult for US holders of TTI Shares to enforce their rights and any claim arising out of the US federal securities laws, since the Offeror is located outside of the United States, and some or all of its officers and directors may be resident outside of the United States. US holders of TTI Shares may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgment.

To the extent permitted by applicable law, in accordance with normal Hong Kong practice and pursuant to exemptive relief granted by the Staff of the Division of Market Regulation of the SEC from Rule 14e-5 of the US Exchange Act, the Offeror or its respective nominees, or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, TTI Shares other than pursuant to any such offer, such as in open market or privately negotiated purchases outside the United States during the period in which the Offer remains open for acceptance. In accordance with the requirements of Rule 14e-5 and exemptive relief granted by the SEC, such purchases, or arrangements to purchase, must comply with Hong Kong law. Any information about such purchases will be disclosed as required in Hong Kong and will be made available in the United States on the SFC's website, at [www.sfc.hk](http://www.sfc.hk).

This Announcement may contain various "forward-looking statements" within the meaning of section 27A of the US Securities Act and section 21E of the US Exchange Act relating to the Offer, the Offeror or TTI that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realised from the proposed acquisition of TTI Shares. The statements can be identified by the use of forward-looking terminology, such as "believe," "expects," "prospect," "estimated," "should," "may" or the negative thereof, or other variations thereof, or comparable terminology indicating the Offeror's expectations or beliefs concerning future events. The Offeror cautions that such statements are qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements. Other factors could also cause actual results to differ materially from expected results included in the statements.

#### Profit Forecasts

This Announcement does not contain any profit forecasts, as defined under Rule 10 of the Code, in relation to the Offer or the TTI.

**WARNING: TTI Shareholders and investors generally should exercise caution when dealing in the securities of TTI.**

#### DEFINITIONS

Announcement	:	this announcement dated 14 May 2007
Citigroup	:	Citigroup Global Markets Asia Limited
Closing Date	:	the date to be stated in the Composite Document as the first closing date of the Offer or any subsequent closing date as may be announced by the Offeror and approved by the Executive
Code	:	the Hong Kong Code on Takeovers and Mergers published by the SFC
Composite Document	:	the composite Offer Document and Response Document to be issued to all TTI Shareholders in accordance with the Code containing, among other things, details of the Offer, the acceptance and transfer form in respect of the Offer
Concert Parties	:	persons acting in concert with the Offeror (within the meaning of the Code)
Executive	:	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
HK\$	:	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong	:	the Hong Kong Special Administrative Region of the People's Republic of China
Hong Kong Listing Rules	:	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
HSBC	:	The Hongkong and Shanghai Banking Corporation Limited
Offer	:	the mandatory conditional general offer to acquire all of the issued shares in the share capital of TTI not already owned by the Offeror and its Concert Parties

Offer Document	:	the document required to be issued by, or on behalf of the Offeror to all TTI Shareholders, in accordance with the Code containing, amongst other things, details of the Offer and the terms and conditions of the Offer and forming part of the Composite Document
Offeror	:	Cordless Industries Inc., a company incorporated in the British Virgin Islands
Platinum	:	Platinum Securities Company Limited, a licensed corporation under the Securities and Futures Ordinance of Hong Kong (Cap. 571 of the Laws of Hong Kong), licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, and the financial adviser to the Offeror
Response Document	:	the document required to be issued by TTI to all TTI Shareholders in accordance with the Code, containing, amongst other things, the board circular of TTI and forming part of the Composite Document
SEC	:	the United States Securities and Exchange Commissions
SFC	:	the Securities and Futures Commission of Hong Kong
Stock Exchange	:	The Stock Exchange of Hong Kong Limited
TTI	:	Techtronic Industries Company Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange
TTI ADR(s)	:	TTI American Depositary Receipts, with a ratio of receipt to TTI Shares of 1:5, issued under a Level 1 American Depositary Receipt programme sponsored by The Bank of New York
TTI Bond(s)	:	zero coupon convertible bond(s) due 2009 issued by TTI pursuant to the offering circular dated 6 July 2004
TTI Group	:	TTI and its subsidiaries
TTI Option(s)	:	option(s) to acquire TTI Shares granted and currently outstanding under the TTI Share Option Scheme that was adopted by the TTI Shareholders
TTI Share(s)	:	ordinary share(s) of HK\$0.10 each in the share capital of TTI
TTI Shareholders	:	holders of TTI Shares
TTI Share Option Scheme	:	the share option scheme adopted by the TTI Shareholders at a general meeting on 28 March 2002
US\$	:	US dollars, the lawful currency of the United States of America
United States or US	:	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
US Exchange Act	:	the United States Exchange Act of 1934, as amended
US Securities Act	:	the United States Securities Act of 1933, as amended

By order of the board of  
Cordless Industries Inc.  
Horst Julius Pudwill  
Director

By order of the board of  
Techtronic Industries Company Limited  
Chi Chung Chan  
Group Executive Director

Hong Kong, 14 May 2007

As at the date of this Announcement, the Directors of the Offeror are Horst Julius Pudwill and Roy Chi Ping Chung. The Directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information in this Announcement (other than in relation to TTI) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement the omission of which would make any of their statements in this Announcement misleading.

As at the date of this Announcement, the Group Executive Directors of TTI are Horst Julius Pudwill (Chairman), Roy Chi Ping Chung (Vice Chairman), Patrick Kin Wah Chan, Frank Chi Chung Chan and Stephan Horst Pudwill; the Non-Executive Director of TTI is Vincent Ting Kau Cheung; and the Independent Non-Executive Directors of TTI are Joel Arthur Schleicher, Christopher Patrick Langley and Manfred Kuhlmann. The Directors of TTI jointly and severally accept full responsibility for the accuracy of the information in this Announcement (other than in relation to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement the omission of which would make any of their statements in this Announcement misleading.

In accordance with Rule 3.8 of the Code, reproduced below is the full text of Note 11 to Rule 22 of the Code:

"Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million. This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved. Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation."

<sup>1</sup> The use of the trademark Ryobi<sup>®</sup> is pursuant to a licence granted by Ryobi Limited.



十八日之選舉大會上其與之... 所有與會者均應遵守...

百應地與之全副資產... 百應地與之全副資產...

備上文所載者外，收購人或其一致行動人士均須負責... 備上文所載者外，收購人或其一致行動人士均須負責...

本公司所披露者外，於... 本公司所披露者外，於...

對美國投資者之重要提示... 收購人及其一致行動人士...

由於收購人於美國境外... 由於收購人於美國境外...

本公司可能收購... 本公司可能收購...

本公可收購... 本公可收購...

END