



**Powerful Brands**  
**Innovative Products**  
**Exceptional People**  
**Operational Excellence**



# **2019 Annual Results Presentation**

March 5<sup>th</sup>, 2020

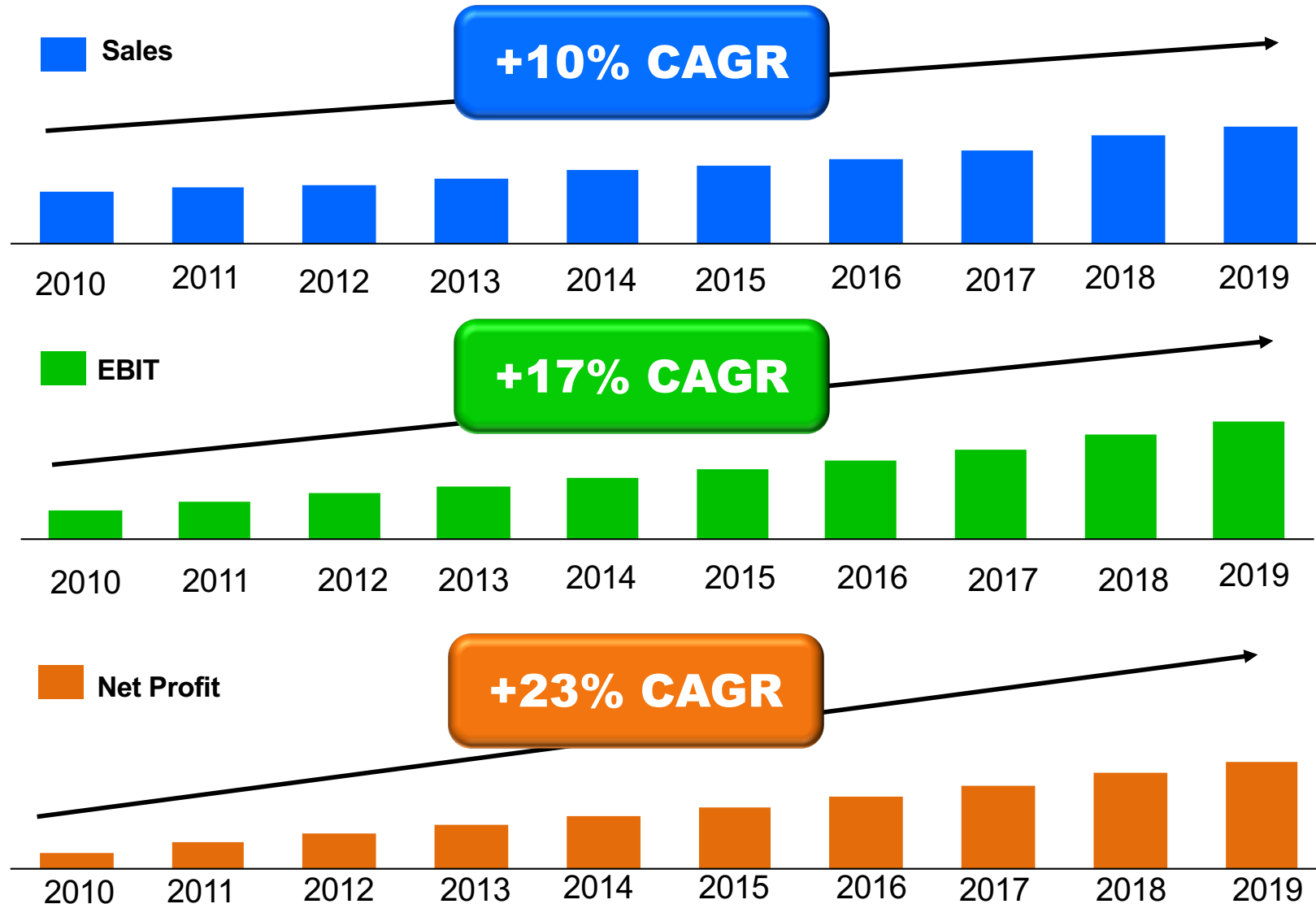
**Frank Chan**

# 2019 Full Year Results

	<u>2018</u>	<u>2019</u>	<u>Change</u>
<b>Sales</b>	\$7,021	<b>\$7,667</b>	+9.2%
<b>Gross Profit</b>	\$2,615	<b>\$2,893</b>	+10.6%
<b>Gross Margin %</b>	37.2%	<b>37.7%</b>	+50 bps
<b>EBIT</b>	\$607	<b>\$673</b>	+10.9%
<i>% of sales</i>	<i>8.7%</i>	<i>8.8%</i>	
<b>Net Profit</b>	\$552	<b>\$615</b>	+11.3%
<i>% of sales</i>	<i>7.9%</i>	<i>8.0%</i>	
<b>EPS (cents)</b>	30.16¢	<b>33.67¢</b>	+11.6%
<b>Final Dividend (HK cents)</b>	50.00¢	<b>58.00¢</b>	+16.0%

# Sales, EBIT & Net Profit

## 10 Year Performance Trend





# 2019 Segment Results

<u>Segment</u>		<u>2018</u>	<u>2019</u>	<u>Change</u>
Power Equipment	<b>Sales</b>	\$6,009	\$6,792	+13.0%
	<i>Segment %</i>	85.6%	88.6%	
	<b>Op Profit</b>	\$598	\$663	+10.8%
	<i>% of sales</i>	10.0%	9.8%	
Floorcare & Appliance	<b>Sales</b>	\$1,012	\$875	-13.5%
	<i>Segment %</i>	14.4%	11.4%	
	<b>Op Profit</b>	\$9	\$10	+12.8%
	<i>% of sales</i>	0.9%	1.2%	

# 2019 Region Sales

	<u>2018</u>	<u>2019</u>	<u>Change</u>
<b>North America</b>	<b>\$5,372</b>	<b>\$5,910</b>	<b>+10.0%</b>
<i>Region %</i>	<i>76.5%</i>	<i>77.1%</i>	
<b>Europe</b>	<b>\$1,071</b>	<b>\$1,161</b>	<b>+8.4%</b>
<i>Region %</i>	<i>15.3%</i>	<i>15.1%</i>	
<b>ROW</b>	<b>\$578</b>	<b>\$596</b>	<b>+3.1%</b>
<i>Region %</i>	<i>8.2%</i>	<i>7.8%</i>	

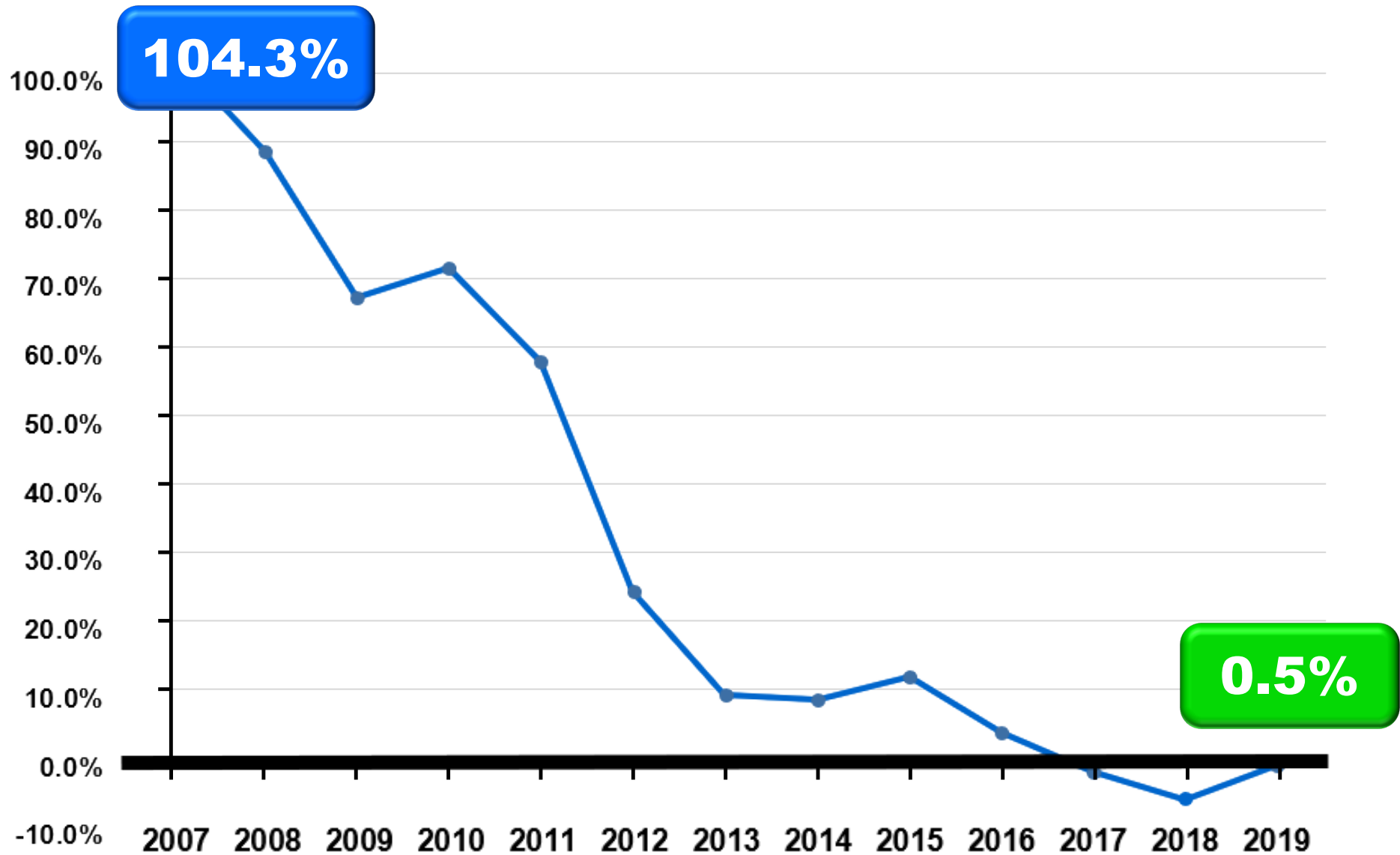
# 2019 Income Statement

	<u>2018</u>	<u>2019</u>	<u>Change</u>
<b>Sales</b>	\$7,021	\$7,667	+9.2%
<b>Gross Profit</b>	\$2,615	\$2,893	+10.6%
<i>% of sales</i>	37.2%	37.7%	
Selling, Distribution, & Advertising	\$1,103	\$1,195	+8.3%
Administrative Expenses	\$708	\$805	+13.7%
Research & Development	\$203	\$230	+13.4%
<b>Total SG&amp;A Expenses</b>	\$2,014	\$2,230	+10.7%
<i>% of sales</i>	28.7%	29.1%	
Net Finance Cost	\$13	\$12	-5.7%
<b>Profit before Income Tax</b>	\$595	\$661	+11.2%
Income Tax Expenses	\$42	\$46	+10.0%
<b>Net Profit</b>	\$552	\$615	+11.3%
<i>% of sales</i>	7.9%	8.0%	

# 2019 Financial Position

	<u>2018</u>	<u>2019</u>	<u>Change</u>
Non-current Assets	\$2,124	\$2,674	+25.9%
Current Assets	\$4,225	\$5,024	+18.9%
Current Liabilities	\$2,616	\$3,218	+23.0%
Net Current Assets	\$1,609	\$1,806	+12.3%
Long-term Liabilities	\$676	\$1,086	+60.8%
Equity	\$3,057	\$3,394	+11.0%

# 2019 Gearing Trend



# 2019 Key Financial Figures

	<u>2018</u>	<u>2019</u>	<u>Change</u>
<b>Inventory</b>	\$1,767	\$2,113	
<i>Days</i>	92	101	+9 days
<b>Receivables</b>	\$1,089	\$1,161	
<i>Days</i>	57	55	-2 days
<b>Payables</b>	\$1,922	\$2,177	
<i>Days</i>	100	104	+4 days
<b>Net W/C</b>	\$934	\$1,097	
<i>% of Sales</i>	13.3%	14.3%	+1.0%
<b>Cash Balance</b>	\$1,104	\$1,412	+\$308
<b>CAPEX</b>	\$259	\$375	+\$116

# 2019 Debt Profile

		<u>2018</u>		<u>2019</u>	<u>Change</u>
<b>Cash Balance</b>		\$1,104		\$1,412	+27.9%
<i>Debt with Fixed Maturities</i>		\$566		\$863	+52.5%
<i>Working Capital Financing</i>		\$399		\$564	+41.4%
<b>Total Debt</b>		\$965		\$1,427	+47.9%
<b>Total Net Cash/ (Net Debt)</b>		\$139		-\$16	-111.2%
<b>Floating Rate</b>	89%	\$860	76%	\$1,082	25.8%
<b>Fixed Rate</b>	11%	\$105	24%	\$345	228.7%
<b>LT Debts - due after 1 year</b>	56%	\$540	53%	\$755	40.0%
<b>ST Debts - due within 1 year</b>	44%	\$425	47%	\$672	58.1%

**Joe Galli**



# 2019 Full Year Sales

	<u>2018</u>	<u>2019</u>
<b>Sales</b>	<b>\$7,021</b>	<b>\$7,667</b>
<b>% Growth</b>		<b>+9.2%</b>

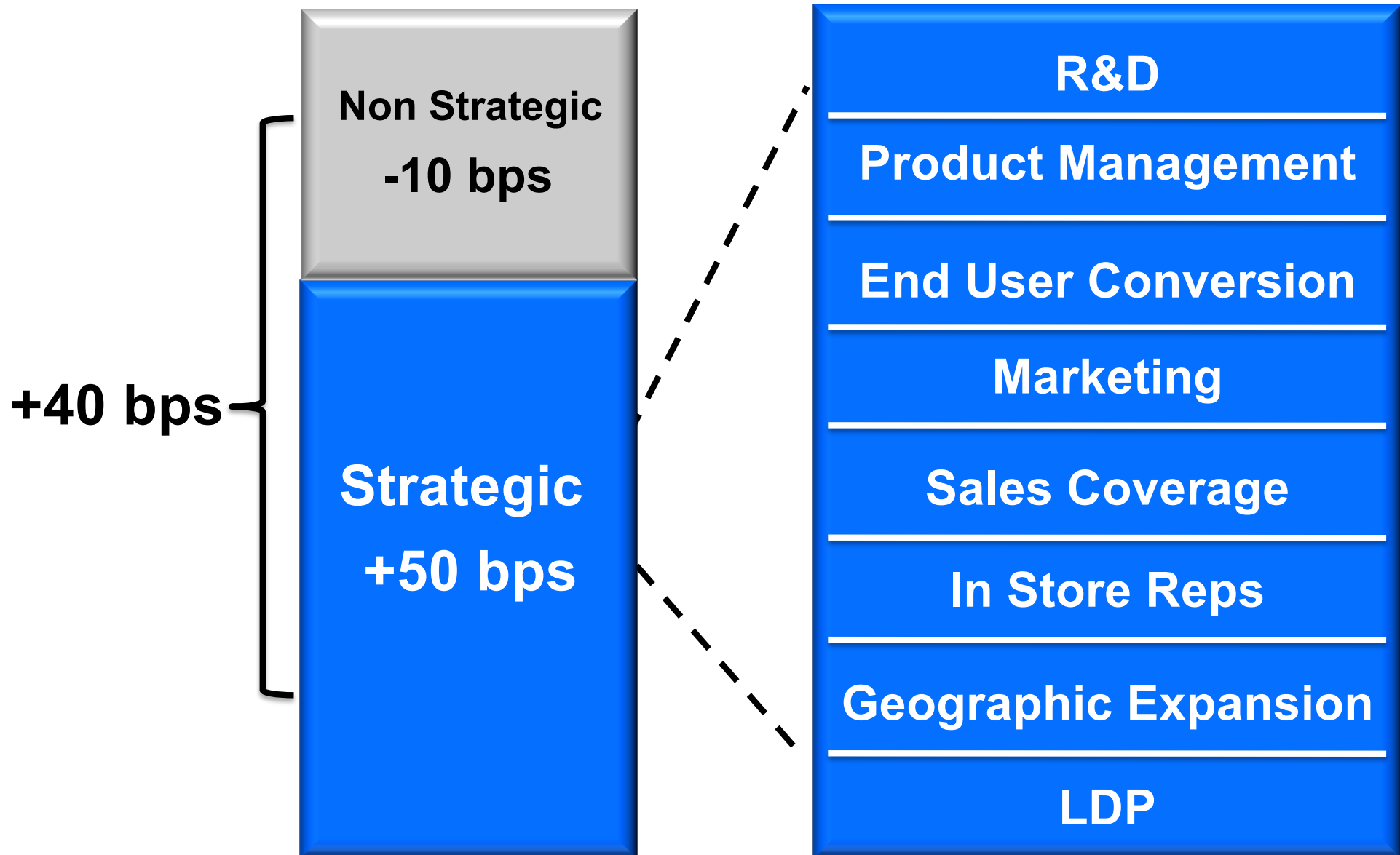
# Floorcare **2019** Results

	<u>2019</u>	<u>Change</u>
<b>Sales</b>	<b>\$875</b>	<b>-13.5%</b>
<b>EBIT</b>	<b>\$10</b>	<b>+12.8%</b>
<i>% of sales</i>	<i>1.2%</i>	

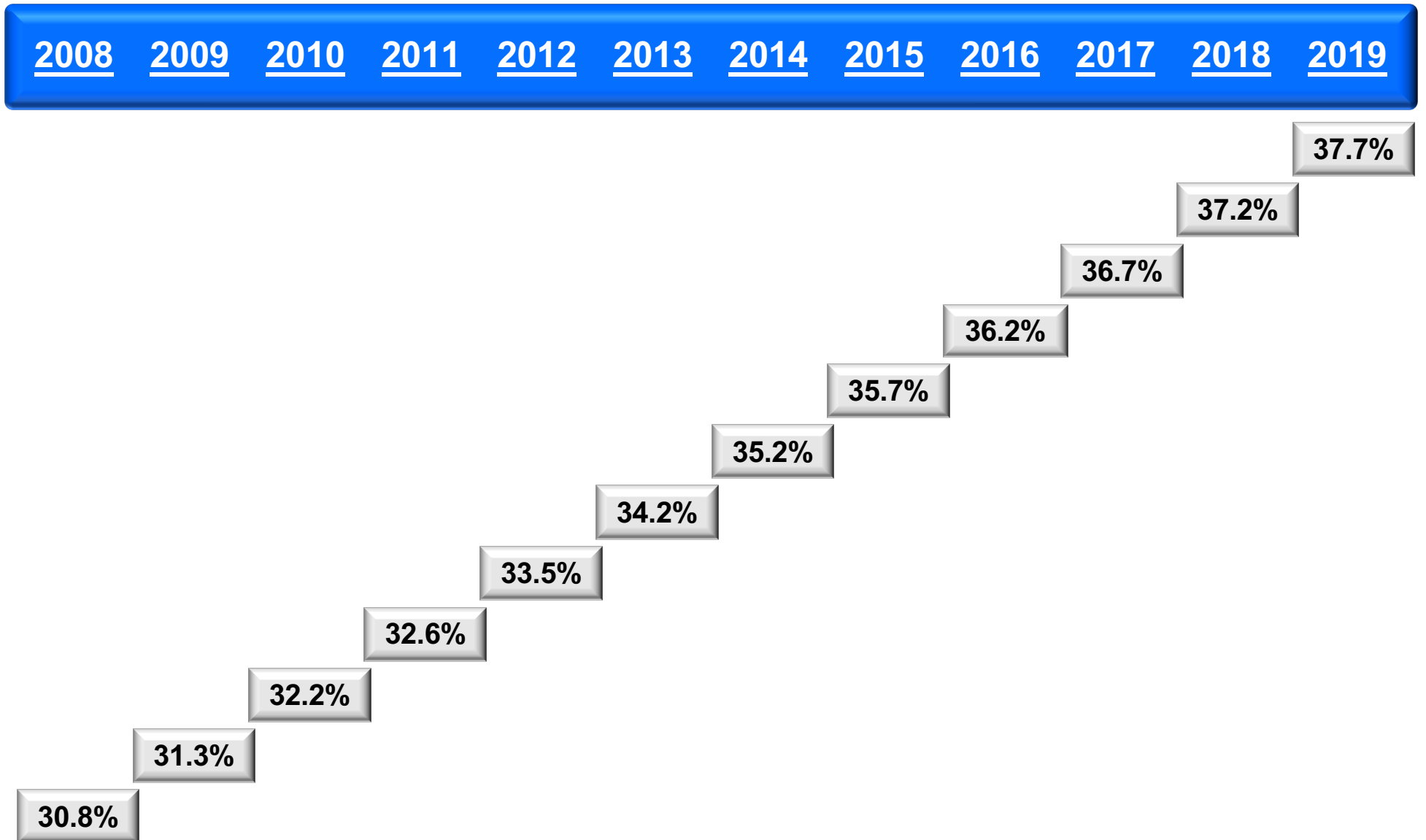
# 2019 Results

	<u>2018</u>	<u>2019</u>	<u>Change</u>
<b>Sales</b>	\$7,021	\$7,667	+9.2%
<b>GM %</b>	37.2%	37.7%	+50 bps
<b>SG&amp;A %</b>	28.7%	29.1%	+40 bps
<b>EBIT</b>	\$607	\$673	+10.9%
<i>% of sales</i>	8.7%	8.8%	
<b>Net Profit</b>	\$552	\$615	+11.3%
<i>% of sales</i>	7.9%	8.0%	

# 2019 SG&A Strategic Investment



# Gross Margin Trend



# 2019 Working Capital

	<u>2018</u>	<u>2019</u>	<u>Change</u>
<b>Inventory</b>	<b>\$1,767</b>	<b>\$2,113</b>	
<i>Days</i>	<i>92</i>	<i>101</i>	<i>+9 days</i>
<b>Receivables</b>	<b>\$1,089</b>	<b>\$1,161</b>	
<i>Days</i>	<i>57</i>	<i>55</i>	<i>-2 days</i>
<b>Payables</b>	<b>\$1,922</b>	<b>\$2,177</b>	
<i>Days</i>	<i>100</i>	<i>104</i>	<i>+4 days</i>
<b>WC % of Sales</b>	<b>+13.3%</b>	<b>+14.3%</b>	

2020

# 2019 Sales



**+21.7%**



# 2019 Sales



**North America**

**+21.3%**

**Europe**

**+24.6%**

**Rest of World**

**+20.6%**

**Milwaukee<sup>®</sup>**

The Milwaukee logo is rendered in a white, stylized, italicized font. A white lightning bolt graphic is positioned below the text, extending from the left side of the 'M' towards the right.

**M18 FUEL<sup>™</sup>**

**21° & 30° Degree  
Framing Nailers**

*Milwaukee*<sup>®</sup>

The Milwaukee logo is rendered in a white, stylized, italicized font. A white lightning bolt graphic is positioned below the text, extending from the left side of the 'M' towards the right.

**M18** FUEL™

**Nailers**

Milwaukee®

The Milwaukee logo is rendered in a white, stylized, cursive font. A white lightning bolt graphic is positioned below the text, extending from the left side of the 'M' towards the right.

**M18** FUEL™

Hole Hawg®

Milwaukee<sup>®</sup>

The Milwaukee logo is rendered in a white, stylized, gothic-style font. A white lightning bolt graphic is positioned below the text, extending from the left side of the 'M' towards the right, passing under the 'w' and 'a'.

**M18**<sup>™</sup>

The M18 logo consists of the letters 'M18' in a bold, sans-serif font. The 'M' is red, and the '18' is black. The entire logo is contained within a white rounded rectangular box with a thin black border. A small trademark symbol (TM) is located at the bottom right corner of the box.

Milwaukee<sup>®</sup>

The Milwaukee logo is rendered in a white, stylized, gothic-style font. A white lightning bolt graphic is positioned below the text, extending from the left side of the 'M' towards the right.

**M12**<sup>™</sup>

The M12 logo consists of the letters 'M12' in a bold, sans-serif font. The 'M' is red, and the '12' is black. The entire logo is contained within a white rounded rectangular box with a thin black border. A small trademark symbol (TM) is located at the bottom right corner of the box.

*Milwaukee*<sup>®</sup>

The Milwaukee logo is written in a white, stylized, cursive font. Below the text is a white lightning bolt graphic that starts under the 'M' and extends to the right, ending under the 'e'.

**MX**  
**FUEL**

The MX FUEL logo is contained within a white rounded rectangle. The letters 'MX' are in a large, bold, black sans-serif font, with the 'M' in red. Below 'MX', the word 'FUEL' is written in a smaller, bold, black sans-serif font. A small 'TM' trademark symbol is located at the bottom right corner of the white rectangle.

**EQUIPMENT  
SYSTEM**

*Milwaukee*<sup>®</sup>



**EQUIPMENT  
SYSTEM**

**14" Cut-Off Saw**



*Milwaukee*<sup>®</sup>



**EQUIPMENT  
SYSTEM**

**Tower Light**

*Milwaukee*<sup>®</sup>



**EQUIPMENT  
SYSTEM**

**Breaker**

*Milwaukee*<sup>®</sup>



**EQUIPMENT  
SYSTEM**

**CARRY-ON<sup>™</sup> 3600W/1800W  
Power Supply**

*Milwaukee*<sup>®</sup>



**EQUIPMENT  
SYSTEM**

**REDLITHIUM<sup>TM</sup>  
Battery Packs**

*Milwaukee*<sup>®</sup>

The Milwaukee logo is written in a white, stylized, cursive font. Below the text is a white lightning bolt graphic that starts under the 'M' and extends to the right, ending under the 'e'.

**MX**  
**FUEL**

The MX FUEL logo is contained within a white rounded rectangle. The letters 'MX' are in a large, bold, black sans-serif font, with the 'M' in red. Below 'MX' is the word 'FUEL' in a smaller, bold, black sans-serif font. A small 'TM' trademark symbol is located at the bottom right corner of the white rectangle.

**EQUIPMENT  
SYSTEM**

*Milwaukee*<sup>®</sup>



**PACKOUT**<sup>™</sup>

*Milwaukee*<sup>®</sup>



**PACKOUT**<sup>™</sup>



**PACKOUT™**

**Radio + Charger**





**Personal Safety**



**Respirators**



**New US Hand Tool Factory**

# **RYOBI** **OUTDOOR**



**40V** *LITHIUM*

**RYOBI**<sup>®</sup>

**WHISPER**  
**SERIES**<sup>™</sup>

**40V**LITHIUM

**RYOBI**<sup>®</sup>

**WHISPER**  
**SERIES**<sup>™</sup>

**18v ONE** **+** **SYSTEM**<sup>™</sup>

**40V LITHIUM**



®

ONE  
PWR™  
SYSTEM

CORDLESS



®

**POWER** *DASH*

**SMARTWASH™**





®

**POWER** ***DASH***

