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## TECHTRONIC INDUSTRIES CO. LTD.

創科實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 669)

### COMPLETION OF THE TRANCHE 2 PLACING AND OPTIONAL PLACING OF CONVERTIBLE BONDS AND WARRANTS

The Board is pleased to announce that the conditions to Second Closing and Option Closing under the Subscription Agreement have been satisfied and that the Tranche 2 Placing and the Optional Placing completed simultaneously on 29 May 2009.

Reference is made to the circular of the Company dated 11 May 2009 relating to the Placing (the “**Circular**”). Terms used herein shall have the same meaning as those defined in the Circular.

The Board is pleased to announce that all the conditions to Second Closing and Option Closing as set out in the Subscription Agreement have been satisfied and that the Tranche 2 Placing and the Optional Placing completed simultaneously on 29 May 2009.

The Tranche 2 Bonds and the Optional Bonds in an aggregate principal amount of US\$75,900,000 and the Tranche 2 Warrants and the Optional Warrants, comprising an aggregate number of 28,279,581 Warrants, have been placed by the Joint Placing Agents to not less than six Placees. To the best knowledge, information and belief of the Directors, and having made all reasonable enquires of the Joint Placing Agents, the Placees are independent third parties not connected with the Company or any of its subsidiaries or any of their respective directors, chief executives or substantial shareholders or any of their respective associates.

The shareholding structure of the Company: (i) as at the date of this announcement; and (ii) immediately after the conversion and exercise in full of all the Securities (comprising the Tranche 1 Securities, the Tranche 2 Securities and the Optional Securities) is set out in the table<sup>(1)(2)</sup> below. The figures in this table are based on the interests in Shares which have been disclosed to the Company pursuant to Part XV of the SFO.

Shareholders	Shareholding as at the date of this announcement		Shareholding immediately after the conversion and exercise in full of all the Securities	
	No. of Shares	%	No. of Shares	%
Existing Major Shareholders <sup>(3)</sup>	469,632,242	31.3	469,632,242	26.4
Other Directors <sup>(4)</sup>	3,334,500	0.2	3,334,500	0.2
Placees	0	0	279,445,500	15.7
Public Shareholders	1,028,285,410	68.5	1,028,285,410	57.7
Total	<u>1,501,252,152</u>	<u>100.0</u>	<u>1,780,697,652</u>	<u>100.0</u>

*Notes:*

- (1) This table assumes no change of the share capital structure of the Company, the number of Shares in issue and the holdings of or interests in Shares of the parties identified above, other than as set out in the Circular.
- (2) Any reference in this table to the conversion of the Bonds and the exercise of the Warrants shall be deemed to be at the initial conversion price and the initial exercise price respectively.
- (3) The Shares of the Existing Major Shareholders are held as follows: 169,761,000 Shares are held by Mr. Horst Julius Pudwill as beneficial owner, 186,084,764 Shares are held by Sunning Inc. (which is 100% controlled by Mr. Horst Julius Pudwill), 71,405,948 Shares are held by Dr. Roy Chi Ping Chung as beneficial owner, 37,075,030 Shares are held by Cordless Industries Company Limited (which is 70% controlled by Mr. Horst Julius Pudwill and 30% controlled by Dr. Roy Chi Ping Chung), 4,409,500 Shares are held by Mr. Stephan Horst Pudwill (the son of Mr. Horst Julius Pudwill), 760,000 Shares are held by the spouse of Mr. Horst Julius Pudwill and 136,000 Shares are held by the spouse of Dr. Roy Chi Ping Chung.
- (4) The other Directors comprise Mr. Joseph Galli Jr., Mr. Patrick Kin Wah Chan, Mr. Frank Chi Chung Chan, Mr. Vincent Ting Kau Cheung, Mr. Joel Arthur Schleicher, Mr. Christopher Patrick Langley OBE, Mr. Manfred Kuhlmann and Mr. Peter David Sullivan.

As far as the Directors are aware, there is no change in the substantial shareholders of the Company as a result of the completion of the Placing.

By Order of the Board  
**Techtronic Industries Company Limited**  
**Frank Chi Chung Chan**  
*Company Secretary*

Hong Kong, 29 May 2009

*As at the date of this announcement, the Board of the Company comprises six Group Executive Directors, namely, Mr. Horst Julius Pudwill (Chairman), Dr. Roy Chi Ping Chung JP (Vice Chairman), Mr. Joseph Galli Jr. (Chief Executive Officer), Mr. Patrick Kin Wah Chan, Mr. Frank Chi Chung Chan and Mr. Stephan Horst Pudwill, one Non-Executive Director, namely, Mr. Vincent Ting Kau Cheung and four Independent Non-Executive Directors, namely, Mr. Joel Arthur Schleicher, Mr. Christopher Patrick Langley OBE, Mr. Manfred Kuhlmann and Mr. Peter David Sullivan.*