

THE WORLD BANK/IFC/M.I.G.A OFFICE MEMORANDUM

Memo

Date

02/28/2025

To

Josiah Femi Akinrebiyo, Manager, CMGMF; Carsten Mueller, Director, CM4RI

From

Makoto Nagakoshi, Senior Investment Officer, CM4A2; Risa Komatsuzaki, Investment Officer, CM4UA

Through

Samuel Akpene Dzotefe, Senior Manager, CM4A2

Extension

572013779

Subject

Internal Office Memorandum Viet Nam: TTI SLB (50327)

SII and ESRS Delayed Disclosure

Project Basic Information

Country Viet Nam	Region: East Asia and the Pacific		Project Short Name: TTI SLB	
Project Legal Name: TTI SLB	Project Number: 50327	Project Tier: Tier II	Company Name: Techtronic	
Company Legal Name: Techtronic Industries Co. Ltd.			Company ID: 1082165	Partner Tier:
Project Business Sector: M-DB - Industrial Machinery	Owning Department /Division: CM4A2 - Regional Industry - MAS Asia & Pac/MAS Agri & Manufacturing EAP			

Environment Category: B - Limited		Repeat Project: No		Project Finance or Corporate Finance: Corporate Finance
IFC Gross Amount (USD): 124,512,000.00	IFC Net Amount (USD): 124,512,000.00	Product Type(s): Loan - 1	Approval Process: Absence of Objection-Streamlined	Form Security Classification: Confidential

Section

The purpose of this memo is to seek delayed disclosure of the Summary of Investment Information (“SII”) and the Environmental & Social Review Summary (“ESRS”) for Techtronic Industries Company Limited (“TTI” or the “Company”) until the time of IFC commitment or when the proposed IFC investment is otherwise publicly disclosed by the Company, whichever is earlier.

Founded in 1985 and based in Hong Kong SAR, China, TTI is a leading manufacturer of power tools, accessories, hand tools, outdoor power equipment, and floorcare & cleaning for industrial workers in professional setting as well as for consumers.

The proposed IFC investment is a subscription as the sole investor of a privately placed, Sustainability-Linked Bond (“SLB”) of up to EUR120 million (approximately US\$124.5 million) to be issued by TTI under its US\$500,000,000 Medium Term Note Programme set up in May 2024. Proceeds from the proposed SLB will be used to expand TTI’s operations in Viet Nam (the “Project”), mainly for the construction of a second factory at Saigon High-Tech Park (“SHTP”), next to the first factory at SHTP.

There are the following two options for delaying disclosure of information in the SII and ESRS under the Access to Information Policy (“AIP”).

- **Option 1:** The entire SII and ESRS are delayed and would not meet the 30- or 60-day disclosure that is normally required.
- **Option 2:** Certain identifying information contained within the disclosure documents is removed in the initial disclosure, and at a later date, the full SII and ESRS are disclosed.

Recommendation

We recommend Option 1 for this Project. This is in line with paragraph 14 of the AIP (Delayed Disclosure), which allows for delays in disclosing the SII and ESRS due to market conditions. The rationale for delaying disclosure until the time of IFC commitment or when the proposed IFC investment is otherwise publicly disclosed by the Company (whichever is earlier) is as follows:

- TTI is publicly listed on the Stock Exchange of Hong Kong. The proposed IFC investment is material for the Company. The full disclosure of the proposed IFC investment could potentially have an impact on TTI’s share price.

TTI SLB (50327)

- Conversely, if IFC were unable to approve or close the proposed investment after the public disclosure was made, it would have a strong negative impact on TTI's share price.
- A limited disclosure under Option 2 would not be meaningful as most of the relevant information on the potential environmental or social impacts associated with the Company's business would need to be deleted to minimize the possibility that the Company could be recognized through the public release of information. Furthermore, as TTI is highly visible as a public listed company in its sector on the Stock Exchange of Hong Kong, the Company could be easily identified through basic information provided under a limited disclosure.

Approval

We hereby seek your approval for delaying disclosure of the entire SII and ESRS as well as not meeting the normal 30-day disclosure period. If in agreement, please kindly provide your email approval.

Cc:

Wagner Albuquerque de Almeida, Director CMGDR;
Benjamin Li, Senior Social Development Specialist, CEAES;
Crystal Jing Chen, Senior Counsel, CLEAS;
Brenna Clerkin Lundstrom, Communication Officer, CCORI

Activity Log/Comments

Submit to Workflow by Risa Komatsuzaki (Draft Internal Office Memo) Feb, 27 2025 09:53 PM ET

Cleared by Samuel Akpene Dzotefe (IOM Level 1-Clearance/Approval 1) Mar, 05 2025 12:33 PM ET

Approved by Carsten Mueller (IOM Level 2-Clearance/Approval 1) Mar, 06 2025 07:50 AM ET

Comments:

TTI is a listed company and IFC's investment could impact the share price.

Approved by Josiah Femi Akinrebiyo (IOM Level 2-Clearance/Approval 2) Mar, 07 2025 05:57 AM ET

Supporting Documents
