April 2, 2024

ToughBuilt Obtains Purchase Order Financing to Fuel Supply Chain and Growth Initiatives

- ToughBuilt Industries Inc. successfully obtained a letter of credit from King Trade Capital (“KTC”), a provider of more than $2.5 billion in capital to over 400 public and private companies worldwide.
- Credit line expected to empower ToughBuilt Industries Inc. to strengthen purchasing power by a minimum of $30 million annually.

IRVINE, Calif., April 02, 2024 (GLOBE NEWSWIRE) -- **ToughBuilt Industries, Inc. ("ToughBuilt” or the “Company”) (NASDAQ: TBLT)** today announced its strategic alliance with King Trade Capital (“KTC”), securing a line of credit expected to significantly enhance the Company’s procurement, direct import, and order fulfillment capabilities.

The Company believes this line of credit will ensure its commitment to existing and new retail partners and strengthen its relationships with key retail partners and factories, translating to enhanced operational efficiency, growth, and improved cost-effectiveness.

King Trade Capital, the largest independent provider of purchase order finance in the United States, has provided more than $2.5 billion in capital to over 400 public and private companies worldwide.

Michael Panosian, ToughBuilt’s Co-Founder and Chief Executive Officer, remarked, "We believe our arrangement with King Trade Capital will fuel our agility in sourcing and meeting demand for our current and new customers. Our relationship will allow us to fulfill and optimize our direct import orders, as needed." Panosian continued, "We intend for this alliance to demonstrate the Company’s growing financial maturity as we follow our path to cashflow positivity and continue to press toward greater shareholder value and profitability."

ABOUT TOUGHBUILT INDUSTRIES, INC.

ToughBuilt is an innovative advanced product developer, manufacturer, and distributor with an emphasis on innovative products, currently focused on tools and other accessories for the professional and do-it-yourself construction industries. We market and distribute various home improvement and construction product lines for both the do-it-yourself and professional markets under the TOUGHBUILT brand name within the global multibillion-dollar per year tool market industry. Our in-house design team creates all our products. Since launching product sales in 2013, we have experienced significant annual sales growth. Our current product line includes three major categories, with several additional categories in various stages of development, consisting of Soft Goods & Kneepads and Sawhorses & Work Products. Our mission is to provide products to the building and home improvement communities that are innovative and of superior quality derived in part from enlightened creativity for our end users while enhancing performance, improving well-being, and building high brand loyalty. Additional information about the Company is available at: https://www.toughbuilt.com/.

FORWARD-LOOKING STATEMENTS

This press release contains “forward-looking statements.” Such statements include, but are not limited to, statements regarding the intended use of proceeds from the offering and may be preceded by the words “intends,” “may,” “will,” “plans,” “expects,” “anticipates,” “projects,” “predicts,” “estimates,” “aims,” “believes,” “hopes,” “potential” or similar words. Forward-looking statements are not guarantees of future performance, are based on certain assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company’s control, and cannot be predicted or quantified and consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) the impact the war in Ukraine and the war in the Middle East on our business, (ii) supply chain disruptions, (iii) market acceptance of our existing and new products, including the Company’s StackTech™ mobile stacking toolbox system, (iv) delays in bringing products to key markets, (v) our inability to secure regulatory approvals for the ability to sell our products in certain markets, (vi) intense competition in the industry from much larger, multinational companies with greater resources and market recognition, (vii) product liability claims and malfunctions, (viii) our limited manufacturing capabilities and reliance on subcontractors for assistance, (ix) our efforts to successfully obtain and maintain intellectual property protection covering our products, which may not be successful, (x) our reliance on single suppliers for certain product components, (xi) the fact that we will need to raise additional capital to meet our business requirements in the future and that such capital raising may be costly, dilutive or difficult to obtain, (xii) the fact that we conduct business in multiple foreign jurisdictions, exposing us to foreign currency exchange rate fluctuations, logistical and communications challenges, burdens and costs of compliance with foreign laws and political and economic instability in each jurisdiction, and (xiii) the capital markets and other conditions. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company’s filings with the Securities and Exchange Commission (SEC), including the Company’s annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K. Investors and security holders are urged to read these documents, as well as other documents we file with the SEC, free of charge on the SEC’s website at http://www.sec.gov and also available through the Company’s website at www.toughbuilt.com. The contents of our website are not incorporated by reference into this press release. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events, or otherwise, except as required by law.

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