

January 24, 2020



Toughbuilt Announces Pricing of Upsized \$9.0 Million Underwritten Public Offering

LAKE FOREST, Calif, Jan. 24, 2020 (GLOBE NEWSWIRE) -- ToughBuilt Industries, Inc. ("ToughBuilt") (NASDAQ: TBLT; TBLTW), an advanced product design, manufacturer and distributor with emphasis on innovative products, currently focused on tools and other accessories for the professional and do-it-yourself construction industries, today announced the pricing of an underwritten public offering of 43,000,000 shares of its common stock (or pre-funded warrants to purchase common stock in lieu thereof) and warrants to purchase up to 21,500,000 shares of the Company's common stock. Each share of common stock or pre-funded warrant is being sold together with a warrant to purchase 0.5 shares of common stock. The combined purchase price for one share of common stock and warrant to purchase 0.5 shares of common stock will be \$0.21. Gross proceeds, before underwriting discounts and commissions and estimated offering expenses, are expected to be approximately \$9.0 million.

The warrants will be immediately exercisable at a price of \$0.21 per share of common stock and will expire five years from the date of issuance. In addition, beginning on the earlier of (i) thirty (30) days following the effective date of the registration statement and (ii) the trading day on which the aggregate trading volume of the common stock since the effective date is equal to more than three times (3x) the number of shares of common stock sold in this offering, the warrant may also be exercised, in whole or in part, by means of a "cashless exercise". The shares of common stock and the accompanying warrants can only be purchased together in the offering, but will be issued separately and will be immediately separable upon issuance. The offering is expected to close on or about January 28, 2020, subject to customary closing conditions.

Maxim Group LLC and Joseph Gunnar & Co. are acting as joint-bookrunning managers in connection with the offering.

Toughbuilt also has granted to the underwriters a 45-day option to purchase up to an additional 6,450,000 shares of common stock and, or Pre-funded warrants in lieu thereof, and/or warrants to purchase up to 3,225,000 shares of common stock at the public offering price, less discounts and commissions.

The offering is being conducted pursuant to the Company's registration statement on Form S-1 (File No. 333-235971), as amended, previously filed with and subsequently declared effective by the Securities and Exchange Commission ("SEC"). A final prospectus relating to the offering will be filed with the SEC and will be available on the SEC's website at <http://www.sec.gov>. Electronic copies of the final prospectus relating to this offering, when available, may be obtained from Maxim Group LLC, 405 Lexington Avenue, 2nd Floor, New York, NY 10174, at (212) 895-3745.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy

these securities, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or other jurisdiction.

ABOUT TOUGHBUILT INDUSTRIES, INC.

ToughBuilt is an advanced product design, manufacturer and distributor with 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. All of our products are designed by our in-house design team. Additional information about the Company is available at: <https://www.toughbuilt.com/>.

FORWARD-LOOKING STATEMENTS

This press release contains “forward-looking statements.” Such statements 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) market acceptance of our existing and new products, (ii) delays in bringing products to key markets, (iii) an inability to secure regulatory approvals for the ability to sell our products in certain markets, (iv) intense competition in the industry from much larger, multinational companies, (v) product liability claims, (vi) product malfunctions, (vii) our limited manufacturing capabilities and reliance on subcontractors for assistance, (viii) our efforts to successfully obtain and maintain intellectual property protection covering our products, which may not be successful, (ix) our reliance on single suppliers for certain product components, (x) 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 and (xi) 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. 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 Report on Form 10-K and its Quarterly Reports on Form 10-Q. Investors and security holders are urged to read these documents free of charge on the SEC’s web site at <http://www.sec.gov>. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events or otherwise.

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