

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 17, 2021

TOUGHBUILT INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

<u>Nevada</u> (State or other jurisdiction of incorporation)	<u>001-38739</u> (Commission File Number)	<u>46-0820877</u> (IRS Employer Identification No.)
<u>25371 Commercentre Drive, Suite 200, Lake Forest, CA</u> (Address of principal executive offices)		<u>92630</u> (Zip code)

Registrant's telephone number, including area code (949) 528-3100

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class:</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered:</u>
Common Stock	TBLT	Nasdaq Capital Market
Series A Warrants	TBLTW	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

The information provided below in "Item 7.01 - Regulation FD Disclosure" of this Current Report on Form 8-K is incorporated by reference into this Item 2.02.

Item 7.01. Regulation FD Disclosure.

On May 17, 2021, the Registrant issued a press release regarding its fiscal year ended December 31, 2020. A copy of the release is furnished as Exhibit 99.1 and incorporated herein by reference.

On May 13, 2021, ToughBuilt Industries, Inc., a Nevada corporation (the "Company"), issued a press release regarding the Company's financial results for its fiscal quarter ended March 31, 2021. A copy of that press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

Exhibit 99.1 contains forward-looking statements. These forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed in these forward-looking statements.

The information set forth under Item 7.01 of this Current Report on Form 8-K ("Current Report"), including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section. The information in Item 7.01 of this Current Report, including Exhibit 99.1, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or

the Exchange Act, regardless of any incorporation by reference language in any such filing, except as expressly set forth by specific reference in such a filing. This Current Report will not be deemed an admission as to the materiality of any information in this Current Report that is required to be disclosed solely by Regulation FD. The disclosures under Item 2.02 and Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information provided herein shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No: Description:

99.1 [Press Release, dated May 17, 2021](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.+-

TOUGHBUILT INDUSTRIES, INC.

Date: May 17, 2021

By: /s/ Martin Galstyan

Name: Martin Galstyan

Title: Chief Financial Officer



TOUGHBUILT INDUSTRIES ANNOUNCES FIRST QUARTER 2021 RESULTS

- *Significant year-over-year revenue growth of 214% to \$12.3M*
- *Robust backlog from leading retailers across all product lines*

Lake Forest, CA, May 17, 2021 (GLOBE NEWSWIRE) — ToughBuilt Industries, Inc. (“ToughBuilt”) (NASDAQ: TBLT; TBLTW), today reported financial results for the first quarter ended March 31, 2021.

First Quarter 2021 Financial Highlights:

- Revenues for the first quarter of 2021 increased 214% to \$12.3 million, compared to \$3.9 million in the first quarter of 2020. The increase in revenues was primarily driven by strong demand for ToughBuilt products that across all product lines from leading customers in the United States and Canada.
- GAAP gross profit increased 128% to \$3.5 million, compared to \$1.5 million in the first quarter of 2020. GAAP gross profit margins for the quarter were 28.2%, compared to 38.9% in the year ago period. The decrease was primarily due to an increase in cost of goods sold following the recategorization of logistic-related expenses such as custom duty fees, warehouse storage & handling costs, and freight costs. Prior to Q4 2020, these expenses were reported under operating expenses.
- On an adjusted* basis, first quarter gross margins were 28.2%, compared to 36.0% in the prior period. The decrease in adjusted gross margins was primarily driven by increased year-over-year shipping costs.
- GAAP operating expense were \$9.4 million, compared to \$5.0 million in the first quarter of 2020. The increase in operating expense was primarily driven by higher SG&A expenses due to an expanded workforce from 32 to 82 employees, increased R&D expenses, increased fulfillment fees related to increased online order volume, and marketing costs.
- Net loss attributable to common stockholders was \$6.1 million, or \$0.09 per share, as compared to a net loss of \$5.0 million, or \$0.43 per share in the first quarter of 2020.
- Cash and cash equivalents was \$32.5 million as of March 31, 2021.

*adjusted gross margins reflect the recategorization of logistic-related expenses under cost of goods sold. Prior to Q4 2020, these expenses were reported under operating expenses.

“The strategic investments we’ve made in research and development, coupled with our manufacturing and distribution capabilities, continue to pay off, which translated into significant revenue growth and a robust backlog coming out of the first quarter of 2021,” commented Michael Panosian, ToughBuilt’s Chief Executive Officer. “The growth in revenue was driven in part by the quarter-over-quarter introduction of new SKUs across Soft and Metal Goods, as well as increased demand for our job site support products. The unique design and functionality of our ToughBuilt product suite continues to resonate with our customers, resulting in increased interest from large retailers across the globe and the expansion of our existing retail relationships. For the remainder of 2021, our strategic priorities include leveraging our existing retail network to launch several additional product lines, expanding into high-growth international markets and enhancing our manufacturing and distribution capabilities.”

Mr. Panosian continued, “I am extremely proud of the ToughBuilt team and their unwavering commitment to innovation and execution. In light of the global pandemic, we have implemented several measures to ensure the health and safety of our employees, and to address the uncertainties caused by global dislocations.”

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. 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, 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 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.

Investor Relations Contact:
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