

PRESS RELEASE

Latour acquires Custom LeatherCraft Mfg. LLC.

Investment AB Latour has, through its fully owned subsidiary Hultafors Group AB, signed an agreement to acquire Custom LeatherCraft Mfg. LLC ("CLC") based in Los Angeles, CA, USA. The completion of the transaction is expected to take place during the month of September, subject to customary closing conditions, including regulatory approval.

CLC is an industry leading designer, developer and marketer of work gear (e.g. tool belts and softside tool carriers), personal protective equipment (e.g. kneepads and gloves), and outdoor gear. The Company was founded in 1983 and products are marketed under the CLC brand in the U.S. and the Kuny's Leather brand in Canada. Net sales amounted to 53 MUSD in 2018 with a profitability well in line with Hultafors Group. The company has around 60 employees.

The acquisition is part of Hultafors Group's strategy to strengthen its presence in N. America and to broaden its portfolio within attractive product categories. Through the acquisition Hultafors Group will strengthen its sales and marketing capabilities in N. America as well as reinforcing the relationships with key customers within the distribution channel.

"We are excited about this acquisition as we believe that CLC will be a substantial piece of the puzzle in realizing our N. American strategy. CLC has an unparalleled track record in product excellence, quality and innovation within its categories, making the company very well suited to be part of the Hultafors Group" says Ole Kristian Jødahl, CEO at Hultafors Group AB.

"Hultafors Group will be an excellent company for CLC to partner with given its existing product portfolio of leading brands, its strong reputation among professional users and its existing customer footprint", says Ron Pickens, CEO of CLC.

As an effect of the acquisition the net debt (excl. IFRS 16) of Investment AB Latour is expected to increase by just over 1.0 billion SEK compared to the net debt level at the end of June 2019 as communicated in the Interim report April – June 2019.

Göteborg, August 31, 2019

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Hultafors Group is one of Europe's largest companies to supply workwear, footwear, head protection, hand tools and ladders for professional users. The products are developed, manufactured and marketed as their own brands, which are available through leading distributors in about 40 markets, with emphasis on Europe and North America. Hultafors Group has more than 800 employees and an annual turnover of more than SEK 2.6 billion.

Investment AB Latour is a mixed investment company consisting primarily of a wholly-owned industrial operations and an investment portfolio of listing holdings in which Latour is the principal owner or one of the principal owners. The investment portfolio consists of nine substantial holdings with a market value of about SEK 57 billion. The wholly-owned industrial operations had an annual turnover of about SEK 12 billion in 2018.