

July 1, 2021



**CLARUS**

# Clarus Corporation Closes Acquisition of Rhino-Rack

SALT LAKE CITY, July 01, 2021 (GLOBE NEWSWIRE) -- Clarus Corporation (NASDAQ: CLAR) (“Clarus” and/or the “Company”) a global company focused on the outdoor and consumer enthusiast markets, has completed the acquisition of Australia-based Rhino-Rack Pty Ltd (“Rhino-Rack”), a leading manufacturer and distributor of highly-engineered automotive roof racks, trays, mounting systems, luggage boxes, carriers, and accessories. Rhino-Rack will continue to operate independently as a wholly-owned indirect subsidiary of Clarus and will constitute a third reporting segment.

Clarus acquired Rhino-Rack for \$AUD 194 million (approximately \$USD 145 million) in cash, subject to a post-closing working capital adjustment, and approximately 2.3 million shares of Clarus common stock for a total aggregate purchase price of \$AUD 273 million or approximately \$USD 207 million based upon the AUD/USD exchange rate and market value of the stock price at closing. In addition, an earn-out of \$AUD 10 million (approximately \$USD 8 million) in cash is payable on July 31, 2022, contingent on the achievement of a specified revenue target. With the closing, Richard Copley, Rhino-Rack’s founder and Managing Director, is now a top five shareholder of Clarus. Rhino-Rack reported \$AUD 115 million (approximately \$USD 90 million) in sales for the trailing twelve months ended March 31, 2021. The acquisition is immediately accretive to Clarus’ earnings.

“Closing the Rhino-Rack acquisition is a major addition to our portfolio of super-fan brands,” said John Walbrecht, Clarus’ president. “Rhino-Rack is an iconic brand that we believe has a massive runway for potential growth. We look forward to seeking to accelerate the brand’s penetration in North America, while continuing to grow organically in the company’s existing core markets of Australia and New Zealand. We are already busy at work deploying our ‘innovate and accelerate’ playbook to seek to expand the brand through product innovation, operational excellence and a clear go-to-market strategy. We are thrilled to partner with the team at Rhino-Rack and continue their legacy of providing outdoor enthusiast customers with engineered products of superior design.”

Warren Kanders, Executive Chairman of Clarus, added, “We are excited about completing the transaction with the Rhino-Rack team. The company’s strong profitability and cash flow profile is expected to further strengthen our balance sheet capacity as we continue to evaluate new M&A and organic growth opportunities.”

Clarus anticipates updating its financial outlook on its upcoming second quarter earnings call, which is anticipated to be held this August.

**About Clarus Corporation**

Headquartered in Salt Lake City, Utah, Clarus Corporation is a leading developer, manufacturer and distributor of best-in class outdoor equipment and lifestyle products focused on the climb, ski, mountain, and sport markets. With a strong reputation for innovation, style, quality, design, safety and durability, Clarus' portfolio of iconic brands includes Black Diamond®, Sierra®, Barnes®, PIEPS®, SKINourishment® and Rhino-Rack® sold through specialty and online retailers, distributors and original equipment manufacturers throughout the U.S. and internationally. For additional information, please visit [www.claruscop.com](http://www.claruscop.com) or the brand websites at [www.blackdiamondequipment.com](http://www.blackdiamondequipment.com), [www.sierrabullets.com](http://www.sierrabullets.com), [www.barnesbullets.com](http://www.barnesbullets.com), [www.pieps.com](http://www.pieps.com), or [www.rhinorack.com](http://www.rhinorack.com).

### **About Rhino-Rack**

Incorporated in 1992, Rhino-Rack is a global manufacturer of high quality, innovative racks, boxes, and accessories for a range of vehicles. Constantly innovating and meeting the highest quality standards, Rhino-Rack has built a very strong brand and business model, serving thousands of very loyal and enthusiastic customers globally.

### **Forward-Looking Statements**

Please note that in this press release we may use words such as “appears,” “anticipates,” “believes,” “plans,” “expects,” “intends,” “future,” and similar expressions which constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting the Company and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Potential risks and uncertainties that could cause the actual results of operations or financial condition of the Company to differ materially from those expressed or implied by forward-looking statements in this release include, but are not limited to, the overall level of consumer demand on our products; general economic conditions and other factors affecting consumer confidence, preferences, and behavior; disruption and volatility in the global currency, capital, and credit markets; the financial strength of the Company's customers; the Company's ability to implement its business strategy; the ability of the Company to execute and integrate acquisitions; changes in governmental regulation, legislation or public opinion relating to the manufacture and sale of bullets and ammunition by our Sierra segment, and the possession and use of firearms and ammunition by our customers; the Company's exposure to product liability or product warranty claims and other loss contingencies; disruptions and other impacts to the Company's business, as a result of the COVID-19 global pandemic and government actions and restrictive measures implemented in response; stability of the Company's manufacturing facilities and suppliers, as well as consumer demand for our products, in light of disease epidemics and health-related concerns such as the COVID-19 global pandemic; the impact that global climate change trends may have on the Company and its suppliers and customers; the Company's ability to protect patents, trademarks and other intellectual property rights; any breaches of, or interruptions in, our information systems; the ability of our information technology systems or information security systems to operate effectively, including as a result of security breaches, viruses, hackers, malware, natural disasters, vendor business interruptions or other causes; our ability to properly maintain, protect, repair or upgrade our information technology systems or information security systems, or problems with our transitioning to upgraded or replacement systems; the impact of adverse publicity about the Company and/or its brands, including without limitation, through social media or in

connection with brand damaging events and/or public perception; fluctuations in the price, availability and quality of raw materials and contracted products as well as foreign currency fluctuations; our ability to utilize our net operating loss carryforwards; changes in tax laws and liabilities, tariffs, legal, regulatory, political and economic risks; and the Company's ability to maintain a quarterly dividend. More information on potential factors that could affect the Company's financial results is included from time to time in the Company's public reports filed with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. All forward-looking statements included in this press release are based upon information available to the Company as of the date of this press release, and speak only as of the date hereof. We assume no obligation to update any forward-looking statements to reflect events or circumstances after the date of this press release.

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