



Acme United Corporation



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(NYSE American: ACU)

Investor Presentation





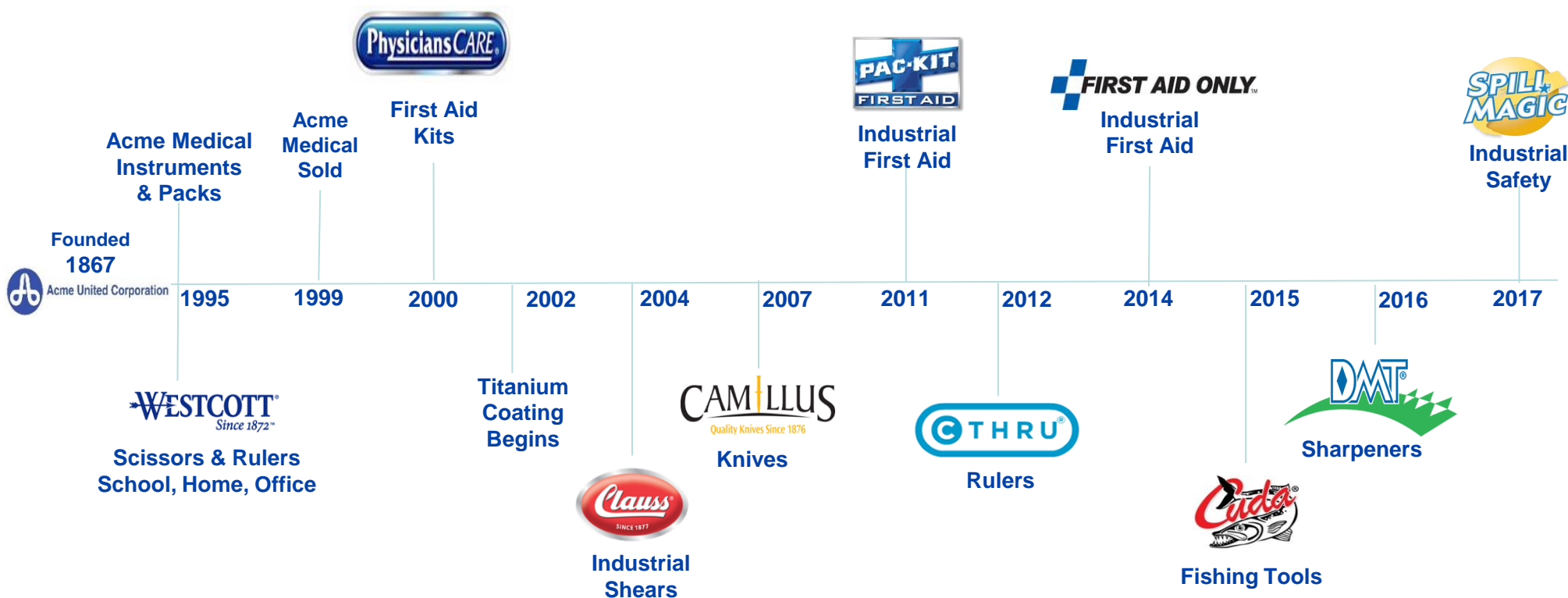
Forward-looking statements in this presentation, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties including, without limitation, the following: (i) changes in the Company's plans, strategies, objectives, expectations and intentions, which may be made at any time at the discretion of the Company; (ii) the impact of uncertainties in global economic conditions, including the impact on the Company's suppliers and customers; (iii) changes in client needs and consumer spending habits; (iv) the impact of competition and technological changes on the Company; (v) the Company's ability to manage its growth effectively, including its ability to successfully integrate any business it might acquire; (vi) currency fluctuations; (vii) increases in the cost of borrowings resulting from rising interest rates; and (viii) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission.



- Leader in cutting technology and innovator of safety solutions
- Premier customer base
- Innovation rate approaching 30%
- Three-year new product pipeline, including:
 - Glue pens and guns
 - Fresh water fishing tools
 - Specialized hunting, fishing and outdoor first aid kits
- Successful history of acquisitions and diversification



- Growth fueled by a combination of brands, technology and expanding distribution
- Successful series of opportunistic acquisitions in two adjacent areas over 50 years
- Leveraging ACU's growth platform through shared technologies, cross-brand collaboration and cross selling that drive value across the platform





With a history of quality dating from 1872, Westcott provides innovative cutting and measuring products for school, home and office.



Revolutionized first aid care for large industrial and retail customers with SmartCompliance replenishment system providing cost-effective OSHA compliance.



The choice of professionals since 1877, Clauss precision cutting tools provide innovative products in the workplace and at home “for those that live their craft.”



The oldest knife brand in North America, with a tradition dating back to 1876. The Camillus brand enjoys a powerful heritage in the hunting, sporting and tactical segments.



Fishing products feature titanium-bond steels and alloys that won't rust and are designed by professionals to provide the highest in quality and reliability.



Worldwide leader in diamond knife sharpeners & sharpening products for knives, scissors, chisels, and other cutting tools.



- Acquired Spill Magic in February 2017
- Leader in absorbents that encapsulate spills into dry powders that can be safely disposed
- 2016 revenues of \$6.3 million, EBITDA of ~\$1.4 million
- Complements ACU's existing first aid & safety products
- Expanding business and distribution through ACU's customer base, innovation and reach
 - Product expansions include bodily fluids and blood-borne pathogen kits





- Titanium Bonded® products are patent protected
 - Patents for Titanium Bonded composition, process and design:
 - US Patents #6,988,318; 5,218,303; 5,223,331; 5,268,879; 5,237,714; 4,770,017; 4,734,438; 4,721,122; 4,857,736; 5,369,940; 4,373,311
 - Canadian Patent #2,466,618
 - European Patent #EP 1,453,642
 - 17 other patents pending
- Signature grey & yellow scissor handles are trademarked
 - The benefits:
 - Category growth with higher dollars sales
 - Strong retailer margins
 - Consumer loyalty
 - Broad-based retailer acceptance





- Manufacturing Process

- Titanium Carbide and Chromium Carbide blend Micro Ceramic Surface
- Ultra-hard metallic coating applied by physical vapor deposition to base metal blades
- Non-stick material is an advanced ceramic that is both durable and adhesive resistant
- Patents pending

- Features

- 5x harder than stainless steel
- FDA and food safe
- Highly corrosion resistant

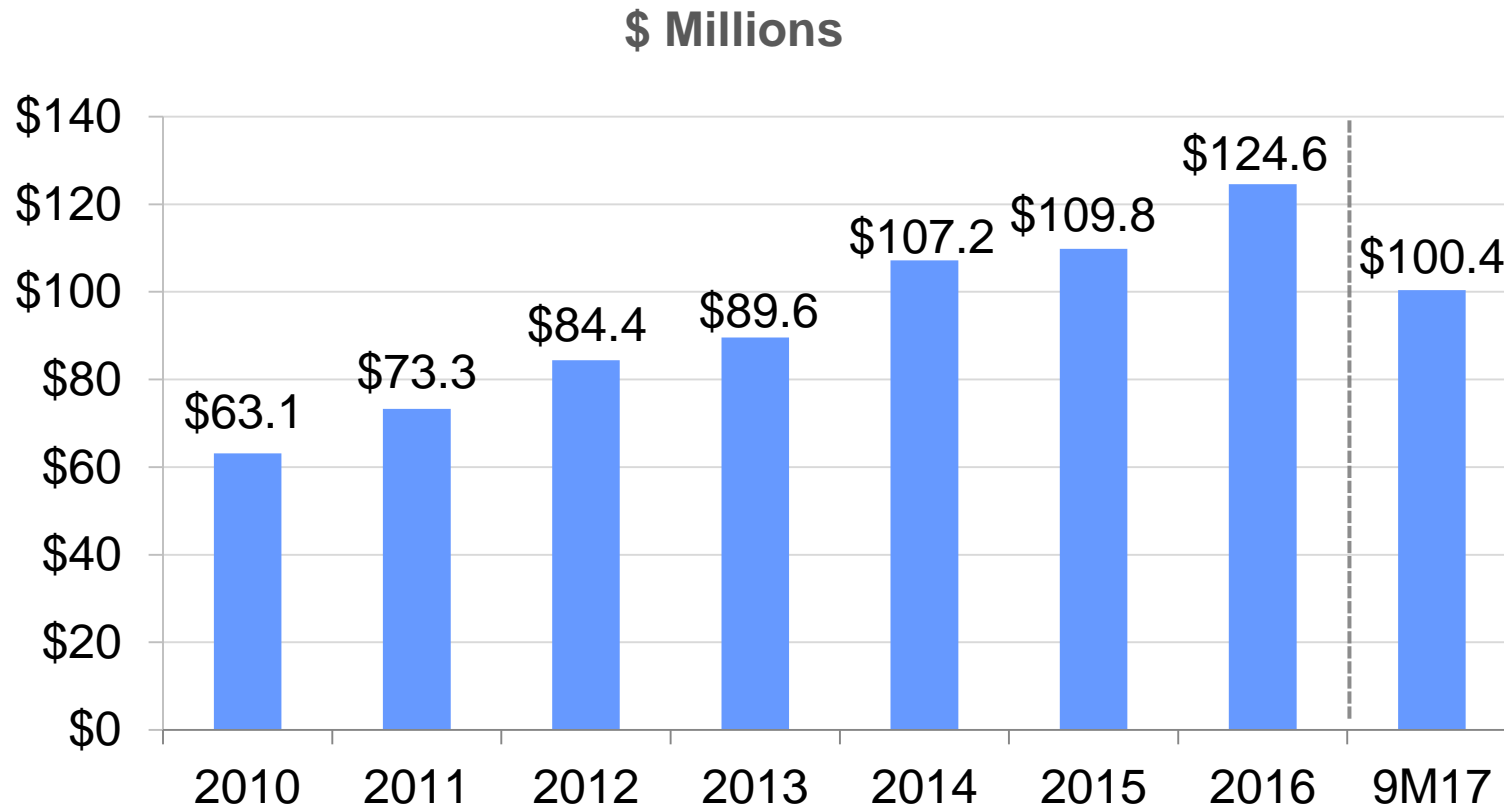
- Benefits

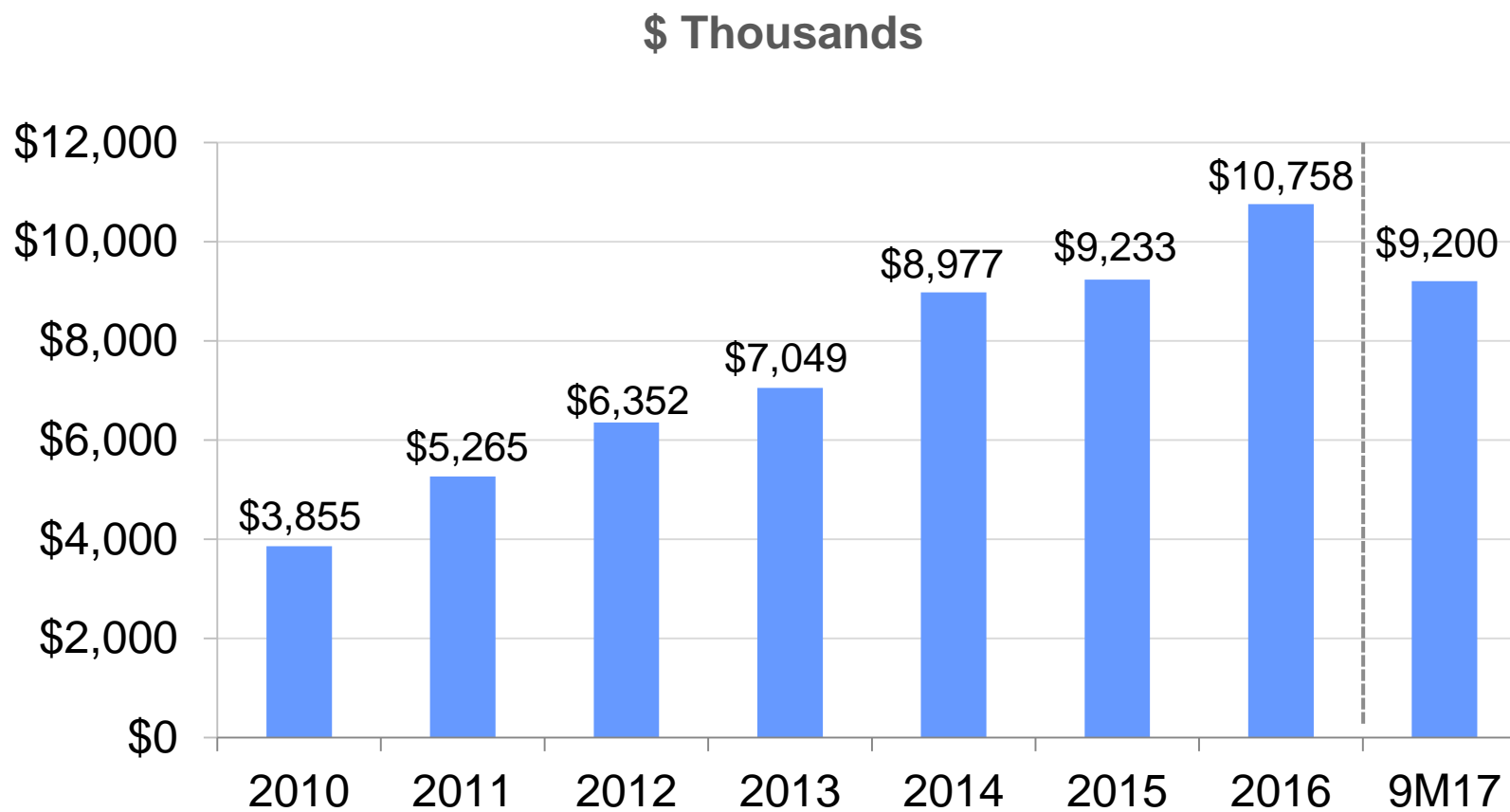
- Superior adhesive resistance
 - Cuts tape, Velcro and other adhesives
- Better release and durability than Teflon-type materials

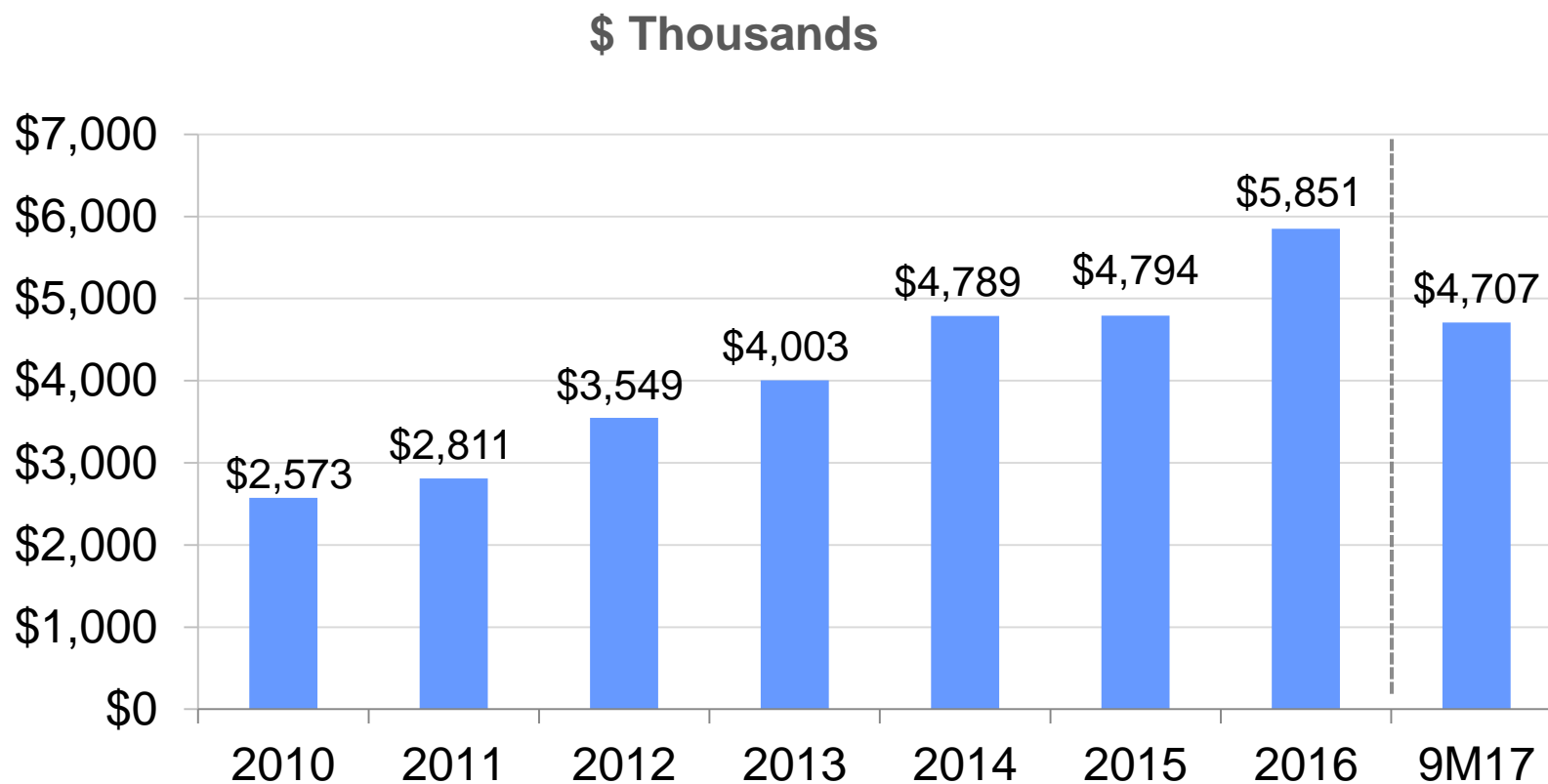


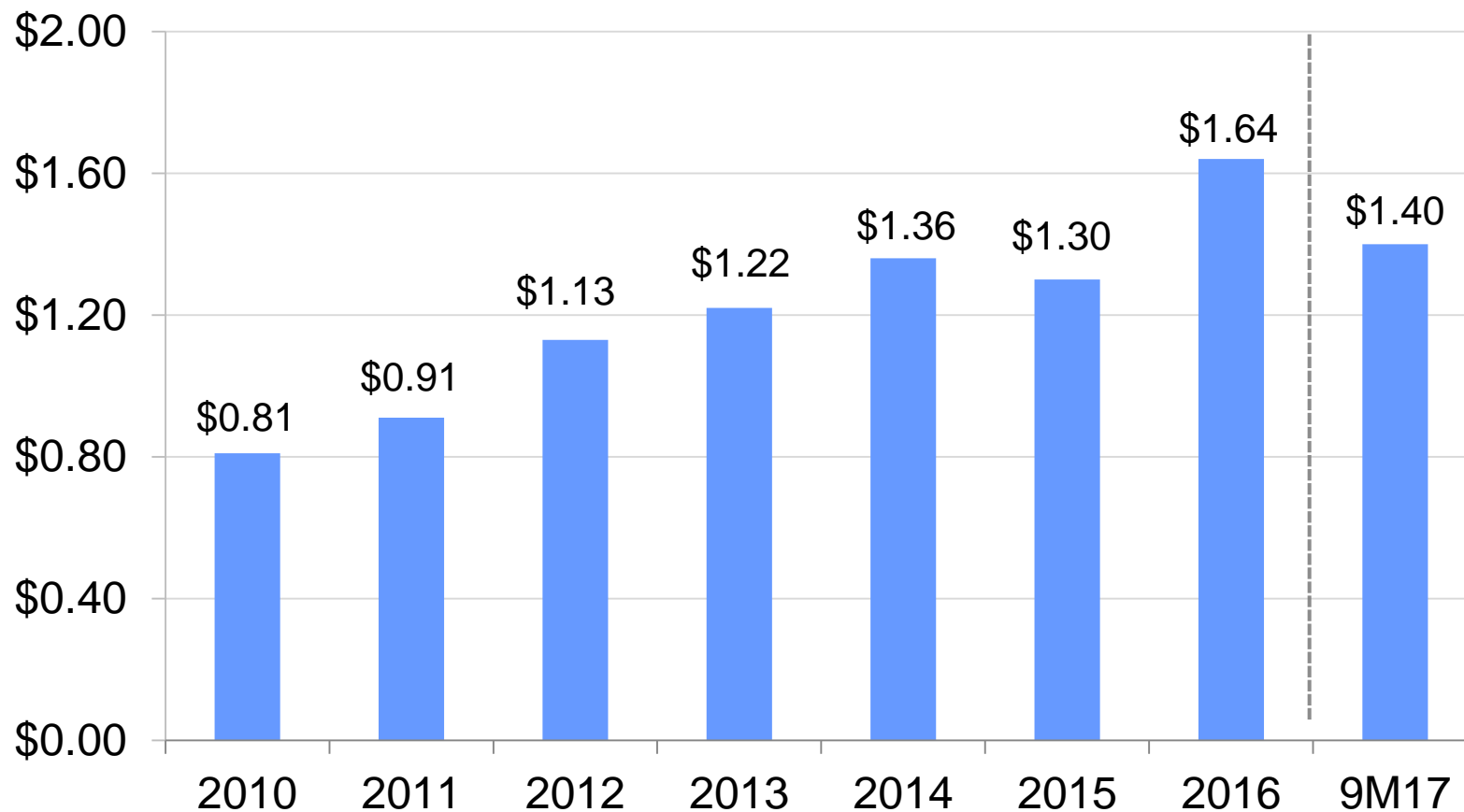


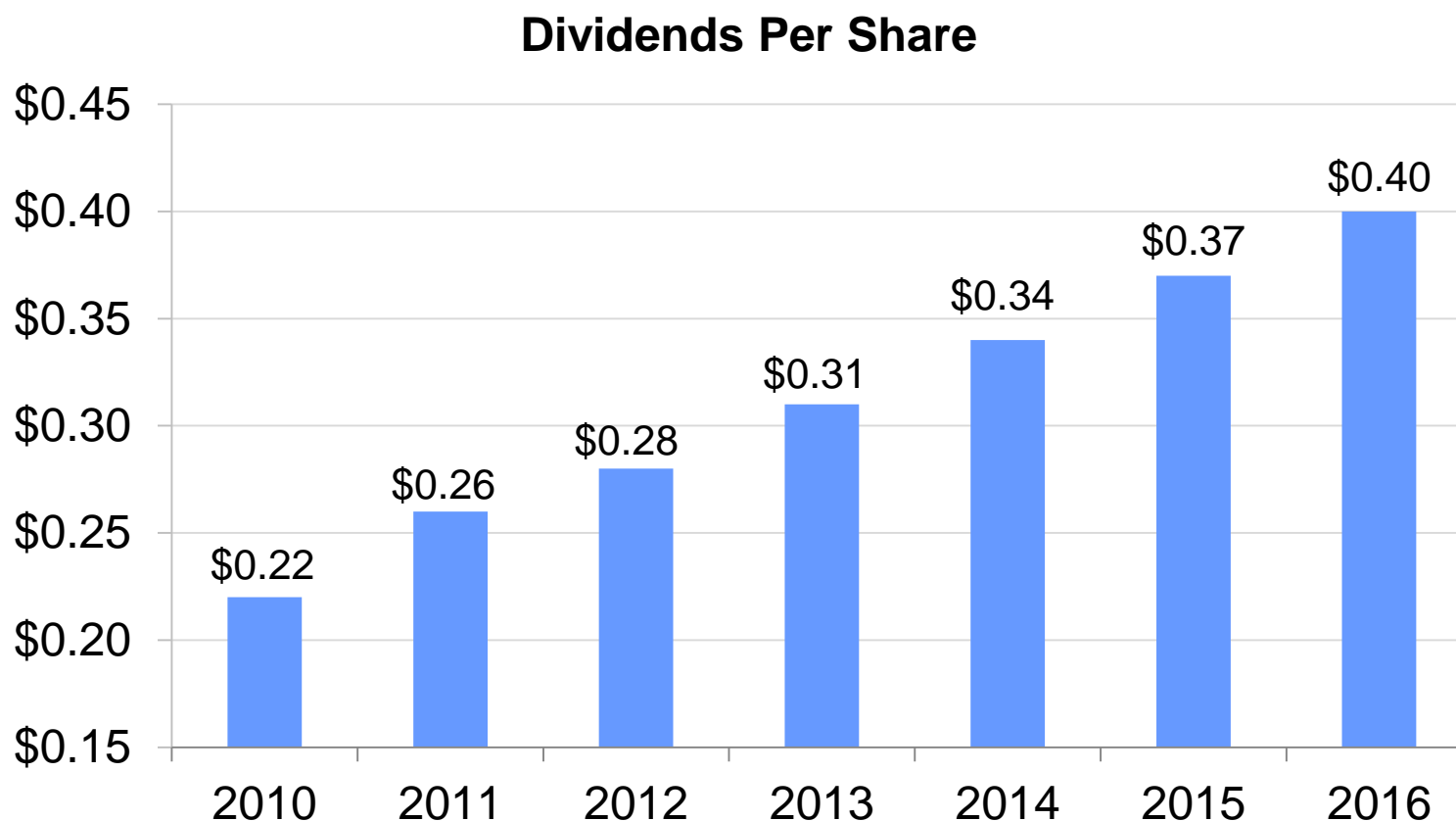
Financial Results











Dividend increased 10%, to \$0.11 per share, in July 2017



- Positioned for another year of record sales in 2017
- Financial guidance
 - Net sales: ~\$133 million
 - Net income: ~\$5.6 million
 - Diluted earnings per share: ~\$1.48





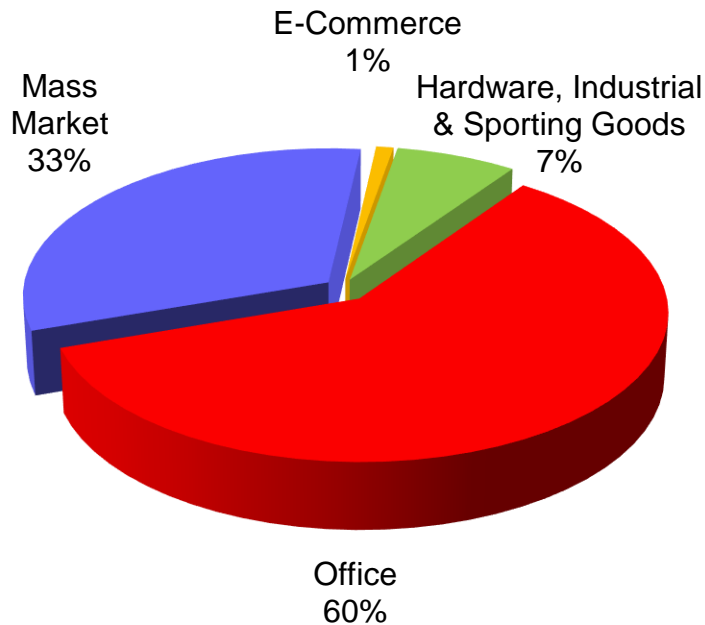
Our Customers



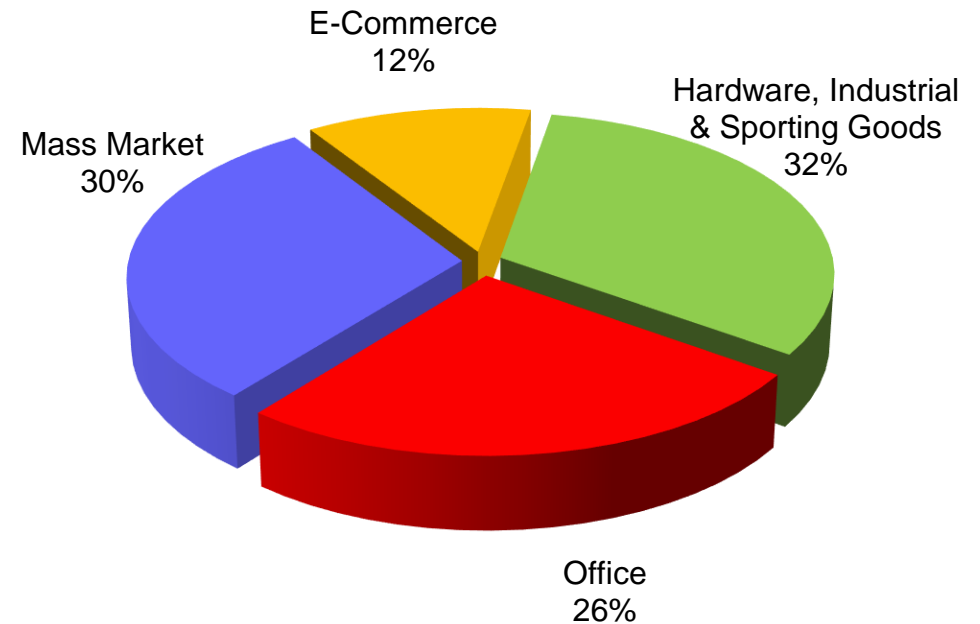




2010



2016



Successful focus on growing and diversifying distribution network,
including e-commerce channel



Focus on Innovation



- Inspired from health and beauty category
- Made from proprietary clear polycarbonate and high grade over mold material
- See-through handle and scissor body
- Extremely comfortable grip
- Available in four neon colors
- New design offers pricing and margin benefits
- Positive reception by consumers





- Fixed Blade Box Cutter
 - Fixed blade pierces shipping tape



- Retractable Box Cutter
 - Auto retractable blade
 - Cuts tape and boxes
 - Magnet for refrigerator



- Retractable Utility Cutter
 - Auto retractable blade
 - Cuts tape and shipping carton
 - Ceramic blades stays sharp 10x longer than steel






- SmartCompliance® simplifies maintaining OSHA compliance
- Easy to monitor and maintain
 - Patented SmartTab® indicator tells customers when to reorder
 - Rolling out new refill app that provides for automatic replenishment
- Gaining placement with new customers – e.g., large food service chains
- Expanding into larger solutions for key vertical markets – e.g., for major industrial sites





AT&T 5:59PM

Register A New Cabinet






 **Save Time**
Click the button and scan the barcode to fill in cabinet details.

Cabinet Details

Model Number
Serial Number
Cabinet Nickname
Cabinet Address
City State 00000
Cabinet Location Employee Count ▼



Contact Information


First Name
Last Name
Business Name
Email

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Select Cabinet Items








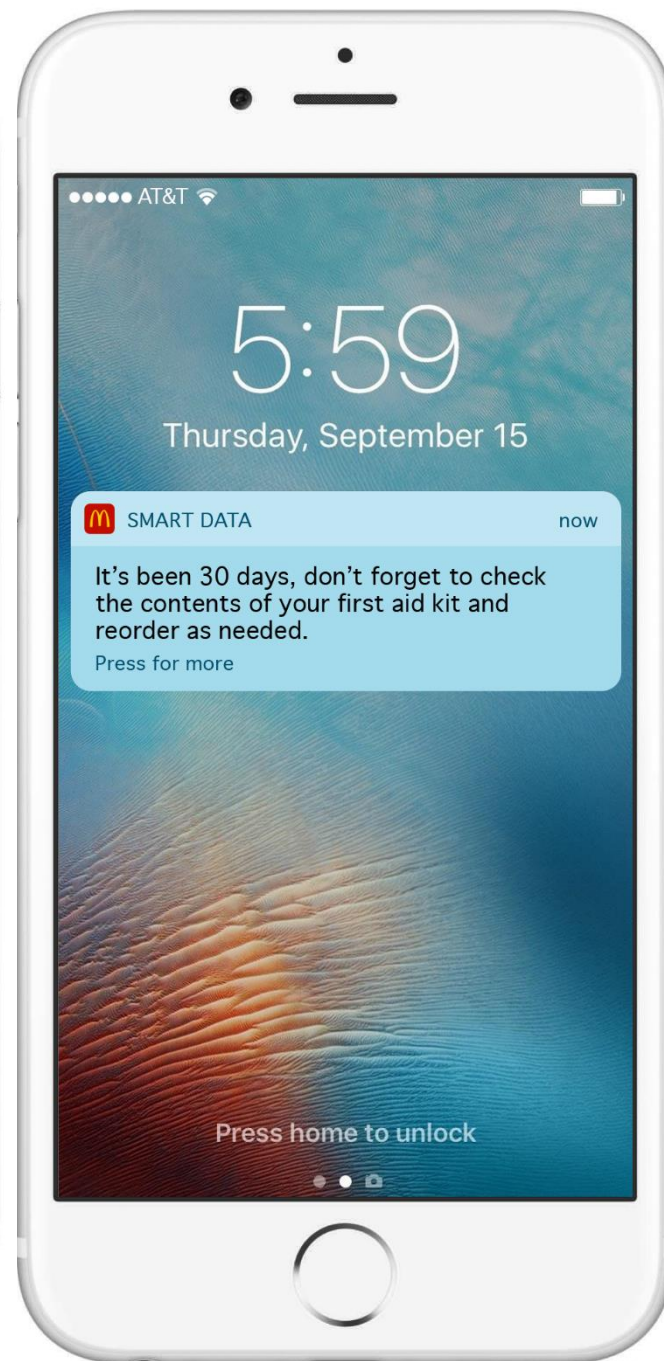
Model No. 746004
Serial No. A00000000-0000
Nick Name Grill Station, East Wall 1
Location 2111 McDonald's Dr., Oak Brook, Illinois 60523

Large Metal SmartCompliance First Aid Cabinet, w/Out Meds
ANSI A+ Compliant / Type I & II / 50 Person

| Item No. | Item Name | Quantity on Hand |
|---------------------------------------|--|------------------|
| <input type="radio"/> 90827 | Large SmartCompliance First Aid Cabinet Refill Pack, ANSI A+ | 0 |
| <input type="radio"/> FAE-3000 | SC Refill, 1.5" x 1.5" Plastic Bandages, 10 Per Box | 1 |
| <input type="radio"/> FAE-3001 | SC Refill, 1" x 3" Fabric Bandages, 25 Per Box | 1 |

Select All **Submit**

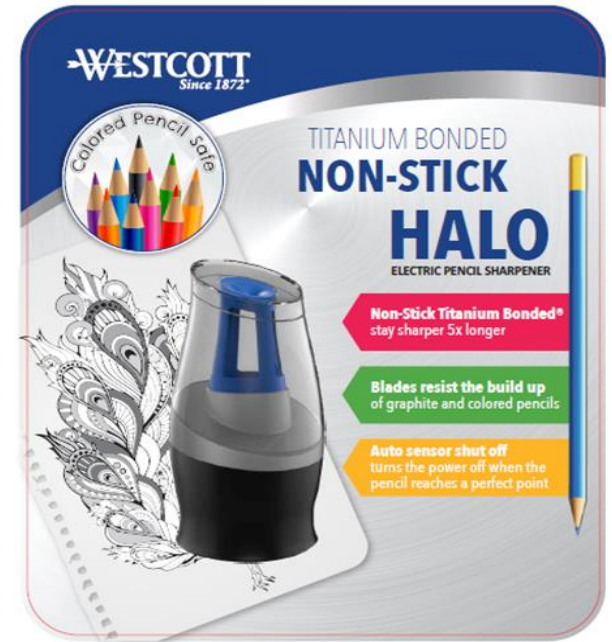
    







iPoint Pencil Sharpeners





Glue Pen

- Color changing nozzle
- Easy glue dispense trigger
- Quick glue stick release
- Glue dispense control



ProjectMate®
WESTCOTT
Since 1872®

Glue Gun

- Color changing nozzle
- Glue stick storage
- Large-ergonomic handle





GOOD
DESIGN
AWARD

2015
WINNERS





- CTS 40A stainless steel for corrosion resistance and edge retention
- Titanium ceramic non-stick blades
- Full tang construction with 47- layer compressed micarta handle



**TITANIUM
NONSTICK**





Growth Drivers



- Leverage Technologies
- Patented Titanium Nitride Coatings
- Proprietary Non-Stick Coatings
- Antimicrobial Plastics for School and Office
- Enhanced Titanium CarboNitride Industrial Tools
- Cross Sell the **Power of One**





- E-Commerce
- Industrial Market
- Safety Distributors
- Outdoor Recreation Segment
- Hardware and Garden Markets



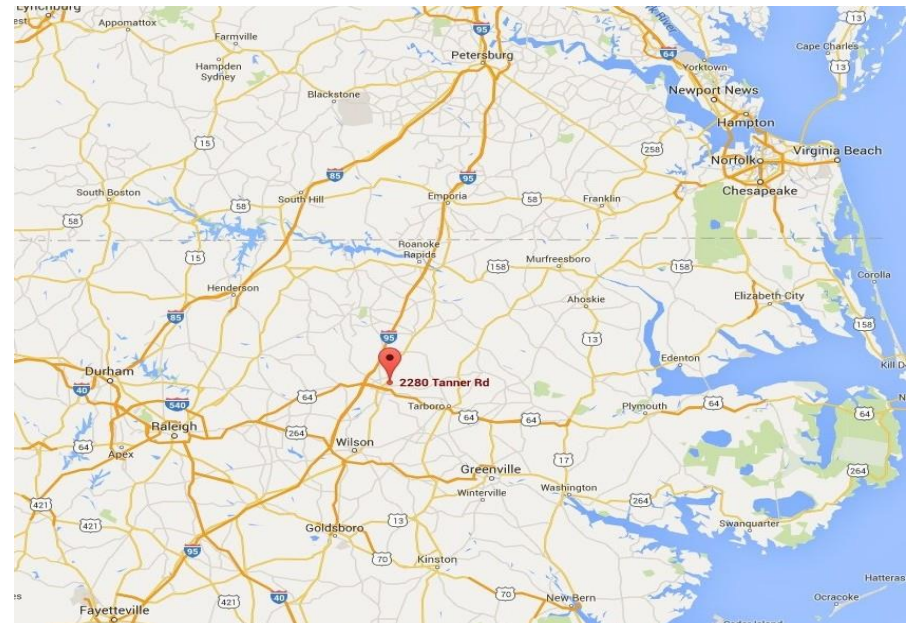


- Generate double-digit revenue growth
- Execute e-commerce strategy
- Continue new product development
- Manage inventory and expenses tightly
- Drive on-going profits
- Continue ACU's history of regularly increasing dividends
- Seeking additional tuck-in acquisitions





- 340,000 sq. feet on 33 acres – Rocky Mount, NC
- Purchased from a Chapter 7 bankruptcy in 2013 - \$2.8 million (\$8.30/sq. ft.)
 - \$5.9 million assessed value, \$13.6 million replacement cost
- Critical to meeting space requirements to support online growth
- CSX distribution facility to be opened nearby in 2019 will benefit delivery speeds and freight rates





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