



Acme United Corporation



Acme United Corporation

(NYSE American: ACU)

Investor Presentation

WESTCOTT
Since 1872™

FIRST AID ONLY™



CAMILLUS
Quality Knives Since 1876





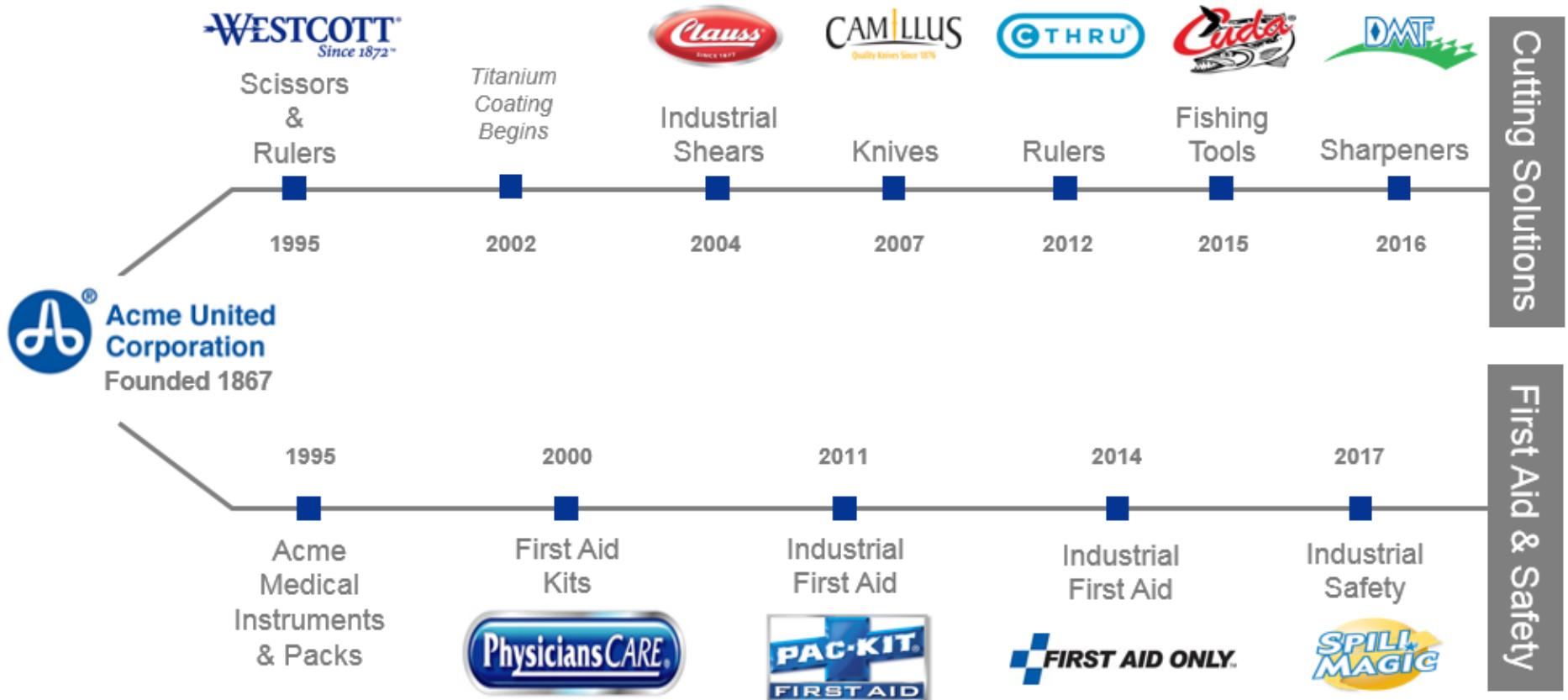
Forward-looking statements in this presentation, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. 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
- Seven consecutive years of record sales (2010 – 2017)
- Premier customer base
- Innovation rate approaching 30%
- Entering exciting new era for Acme United
 - E-commerce sales rose 100%+ annually from 2015 - 2017
 - Investing in software, logistics, warehousing and human resources to win in ACU's largest open arena for growth
- Successful history of acquisitions



- 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





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



Specializes in supplying custom first aid kits for industrial and safety supply distributors worldwide. One of the industry's most innovative first aid kit suppliers, Pac-Kit has 100+ years of medical product manufacturing expertise.



A leading supplier of innovative first aid products for the school, home, office, hardware and industrial markets. Owns and operates an FDA-approved facility for kit assembly and distribution.



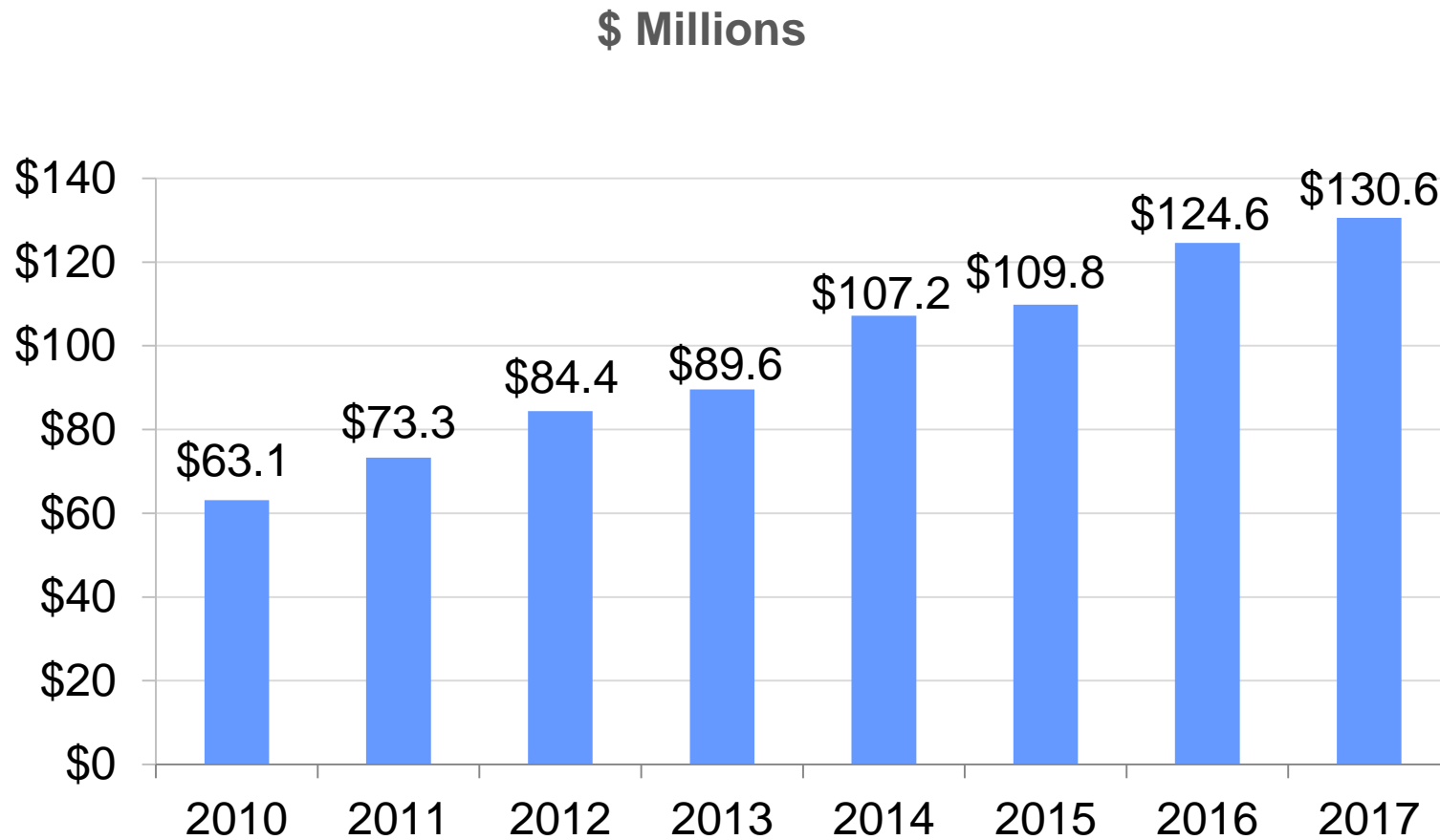
“Spill-response” system reduces slip & fall accidents in their locations, including grocery, retail, big box and other stores; food service & hotel chains; municipalities; and industry-specific distributors in the U.S. and Europe.

- Acquired Spill Magic in February 2017
 - Leader in absorbents that encapsulate spills into dry powders that can be safely disposed
 - Contributed \$6.5 million in sales to ACU in 2017
- Extensive runway for growth
 - Introduced product expansions, including bodily fluids and blood-borne pathogen kits, in 2017
 - Successfully placed products online and with major retailers, including in Europe
 - Investing to increase production capacity and reduce production costs



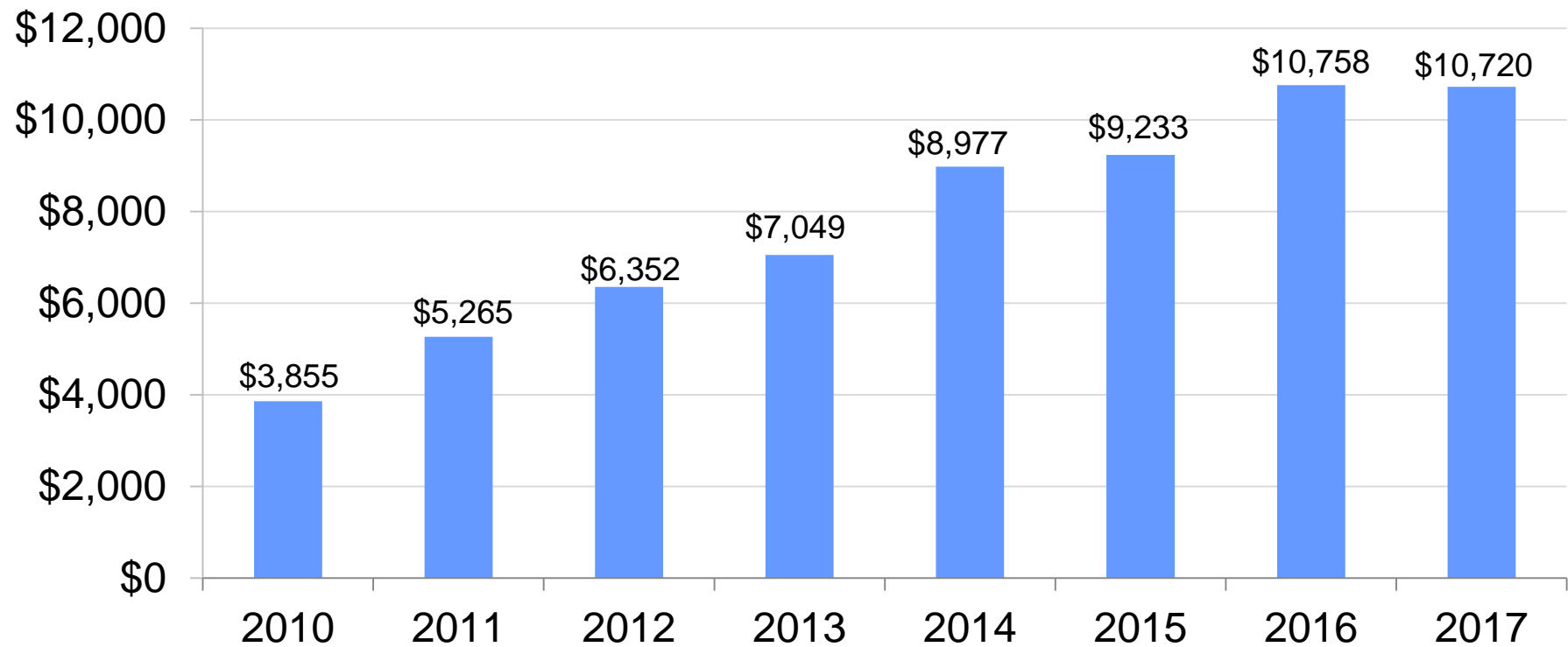


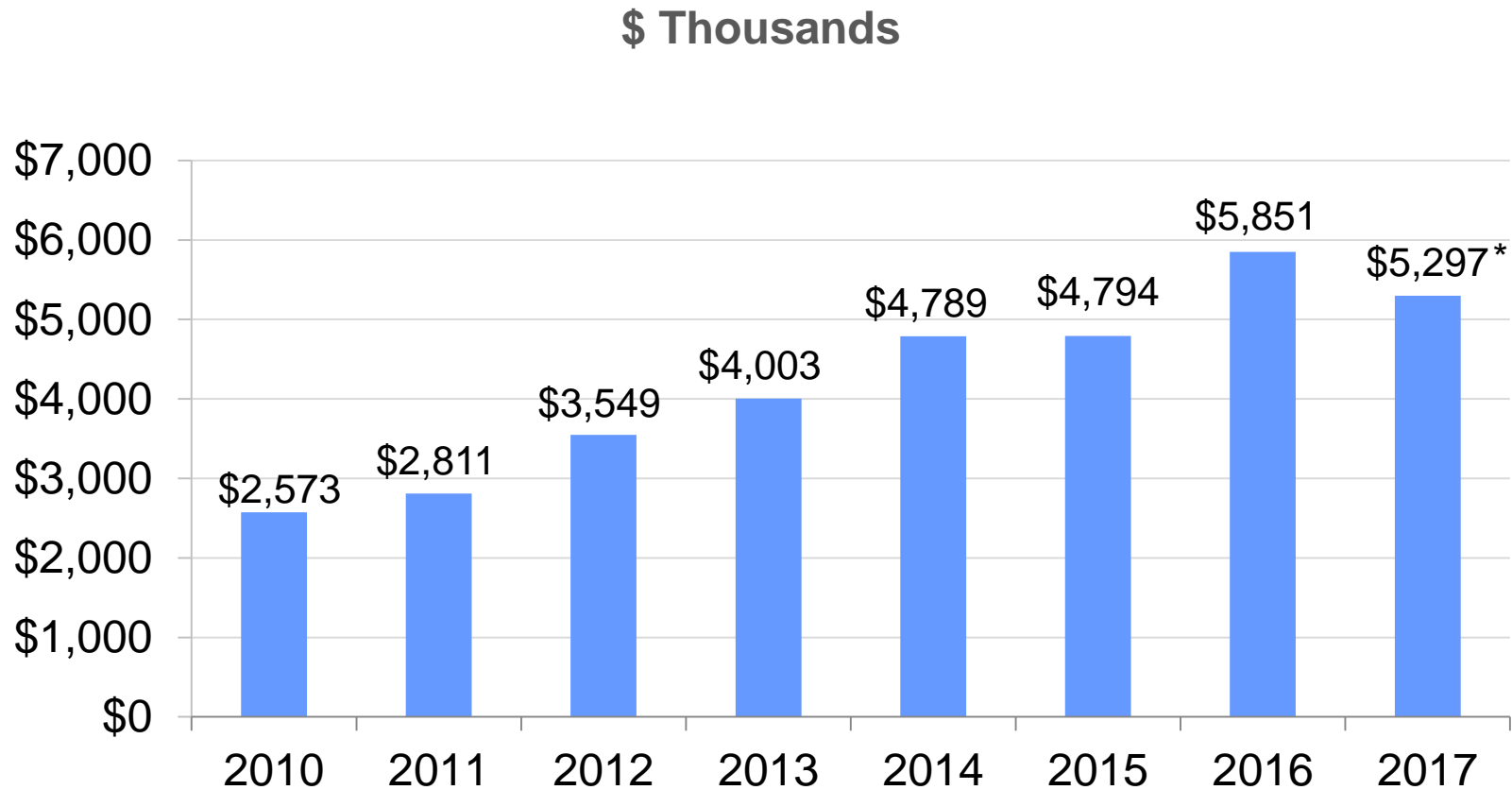
Financial Results



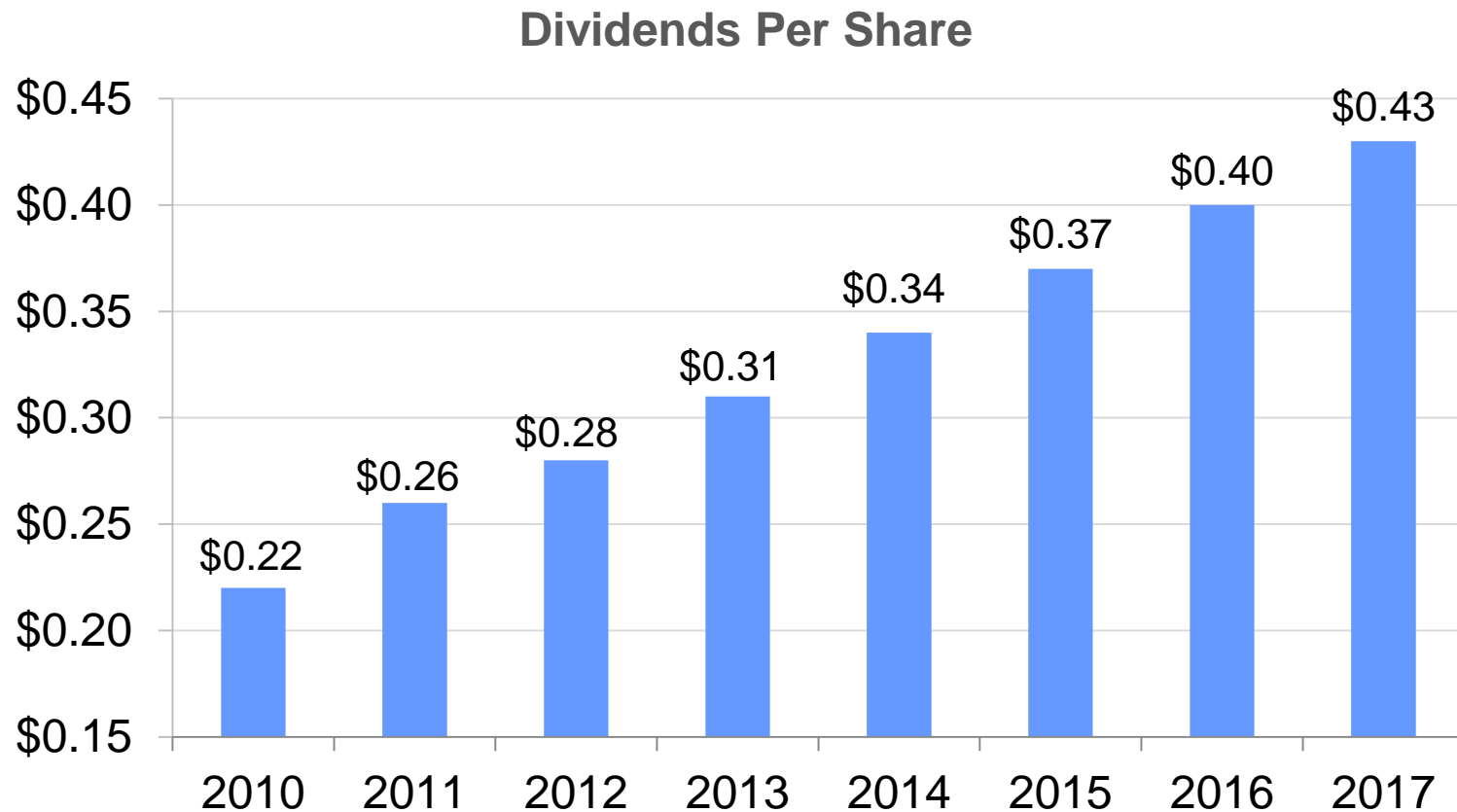


\$ Thousands





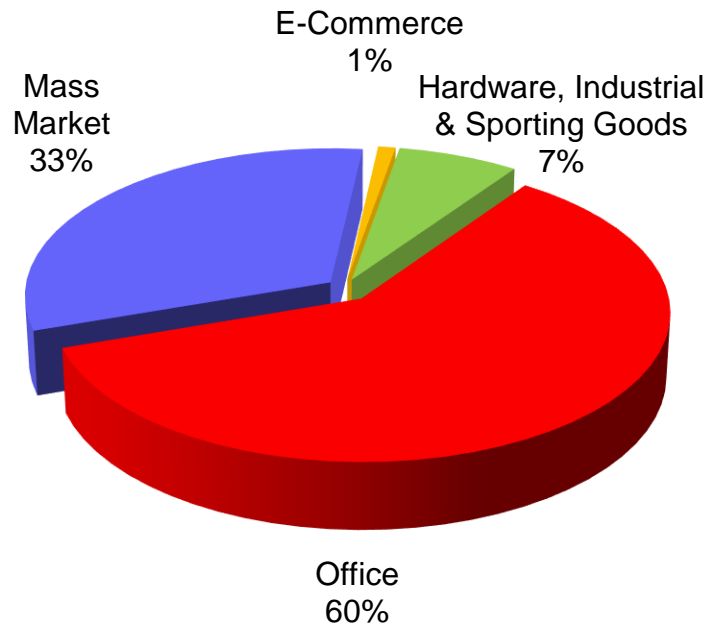
*Note: 2017 results adjusted for \$1.25 million tax expense related to the recently enacted U.S. Tax Cuts and Jobs Act



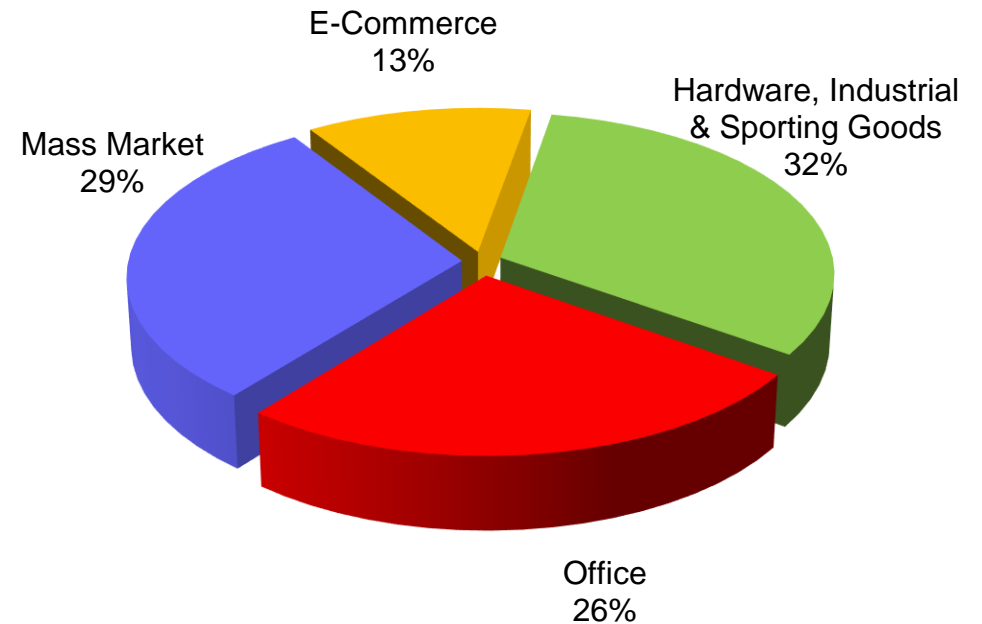
Dividend increased 10%, to \$0.11 per share, in July 2017.



2010



2017



Diversified distribution network.
Strong growth in e-commerce channel.



Focus on Innovation



- Carbonitride-titanium bonded blades 8x harder than untreated stainless steel
- Stay sharper longer
- High-leverage, ergonomic comfort bows
- Reinforced high-strength handle
- Unique ergonomic over mold handle
- Manufacturer's lifetime warranty
- 2016 Good Design award winner





- SmartCompliance® simplifies maintaining OSHA compliance
- Easy to monitor and maintain
 - Patented SmartTab® indicator tells customers when to reorder
 - New refill app 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





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





- Driving growth through outstanding products with excellent reviews, strong content, and search and promotional strategies
- Improving warehouse operations to accommodate online growth
 - Adding experienced executives and managers to improve accuracy, speed and cost of deliveries
 - Installing new software modules to improve efficiency of pick lines
 - Adding storage space for products close to point of shipment





- 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
- Complete additional tuck-in acquisitions





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