



ENGINEERED PRODUCTS

UNIROYAL GLOBAL ENGINEERED PRODUCTS, Inc.
OTCQB: "UNIR"

December 2016

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Company Overview

The leading manufacturer for vinyl coated fabrics

Tough and Soft to Touch

Vinyl coated fabrics are an attractive economic and at times better performing alternative to leather and other synthetic materials

Naugahyde® often known as Synthetic Leather or “Vegan” Leather

- **Durability**
- **Cleanability**
- **UV Resistant**
- **Flame Resistant**
- **Anti Squeak**
- **Stain/Dye Resistant**



Company Overview

Delivering: Superior Performance, Color & Beauty

Demanded without compromise by today's discriminating customer.

We provide high quality, highly engineered products to many market sectors. Often providing customized solutions for individual customers requiring specific branded color or patterns

Our Naugahyde® & Ambla® brands are known through the world as the premier choice for many markets and applications.



Our Products and Markets are uniquely diversified and provide us with an enviable balanced portfolio.

Automotive and Light truck interiors	64%
Heavy Truck, RV's and Industrial Equipment	11%
Commercial Seating and Medical Equipment	25%



Timeline

Uniroyal Global Engineered Products



ENGINEERED PRODUCTS



1850

1848
Storey Brothers
Fabric Manufacturers
established.

1892
U.S Rubber
Company founded
in Naugatuck CT.

1908
Bernard Wardle,
textile printers
established,
William Morris
commissioned the
'Honeysuckle'
design.

1900

1920
Naugahyde
artificial leather
invented.

1930
Industries started
using rubber-
based Naugahyde.

1945
First PVC coated
fabric produced by
Bernard Wardle.

1941
A synthetic
rubber
substitute
developed

1950



1978
Factory Earby
acquired.

1964
U.S. Rubber
becomes Uniroyal
Corporation.

1966
The Nauga®
was introduced.

1986
Uniroyal, Inc. sells
Uniroyal Plastics.

1980
Bernard Wardle
acquired Storeys
business and the
Wardle Storeys
name was
formed.

2000

2003
Uniroyal
Engineered
Products, Inc.
sold to management

2008
Wardle
Storeys
coated
fabrics MBO

2016

**UNIROYAL
GLOBAL
Limited**
Rename of
**WARDLE
STOREYS**
providing a
global &
wider range
of Vinyl
products
and
services
globally.



- US Rubber Company (Uniroyal, Inc.) invented Naugahyde in 1920 &
- Wardle Storeys began producing Vinyl Coated Fabrics in 1945
- Uniroyal Engineered Products, LLC acquired Wardle Storeys in 2013

North American Manufacturing Facility

Stoughton, Wisconsin.

- Plant size: 230,000 Sq. Ft.
- Employees: 193
- Capacity: 13 Million Linear Yards
- Available capacity:
6.0 Million Linear Yards.



UK & European Manufacturing Facility



Earby, Lancashire.

- Plant size: 250,000 Sq. Ft & 15 acres
- Employees: 227
- 15 Million Linear Yards
- Available capacity:
6.0 million Linear Yards



Global Manufacturing Operations



**Uniroyal Engineered
Products**



**Stoughton, WI,
U.S.A**



**Uniroyal Global
Limited**



**Earby, Lancashire,
England**



**Uniroyal Global
Shanghai**

**Planned Engineering
and Sales Office**

- **Manufacturing : 2**
- **Design & Sales offices : 5**
- **Global Distributors : 65 (Asia / Europe & Americas)**
- **Sales and R&D Teams : 25 People**



Global Coated Fabrics Market estimated at \$16.5 billion

Primary Market Sectors

Polymer Coatings	85%	\$13.7 billion
Rubber Coatings		
Fabric Backed Wall Coverings		

Polymer Coated Fabrics by Region

Asia Pacific	50%	\$6.9 billion		~\$5.0 billion
North America	17%	\$2.3 billion		
Europe	19%	\$2.6 billion		
ROW	14%	\$1.9 billion		

*Uniroyal's current markets in Green

*Source Grand View Research

Market Overview

Polymer Coated Fabrics by Market Sector

Transportation	35%
Protective Clothing	15%
Industrial	12%
Furniture	10%
Other	28%

Uniroyal's target market is the highly engineered, high margin segments across each market sector

- Highly focused on seating applications
- We avoid low margin commodity markets

Management estimates our current target markets in the regions we compete to be in excess of **\$2 billion** annually



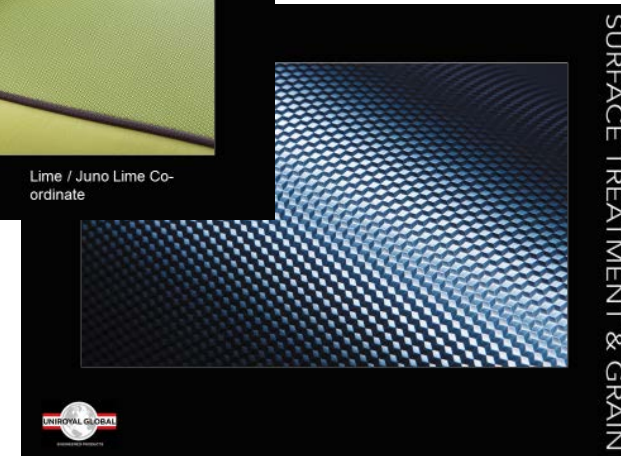
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PRODUCTS

Design and Development

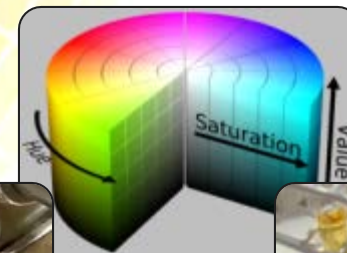
World Class Designers and Development team.

- New color developments.
- Extensive effects library (print/grain)
- Pilot plant samples up to (600mm)
- Full scale trials in 6-8 weeks



Research & Product Development

- UK & US Comprehensive Testing Labs
- Technical Products developed in house
- Experience technical team of 20 staff
- Proprietary product development
- Computer color match systems
- Lower VOC emissions
- Anti-squeak
- Anti-soil
- Flame Retardant/Low Smoke
- Dye ingress
- Water based coatings development
- Alternative polymer coatings
- Multi-layer composites



Quality and Environmental and Safety

We take an absolute no compromise approach to quality.

- ISO9001/2008
- TS 16949 certification
- VDA 6.3 compliant
- OEKO-TEX certified
- MED approved supplier
- Environmental Management Systems certified to ISO 14001
- Compliance with REACH regulations
- A member of Vinyl Plus Foundation
- Reduction in emissions
- Stringent recycling targets



No. 0812059

Centexbel





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MARKETS

Serving our Global OEM's



ENGINEERED PRODUCTS



Mercedes-Benz



RENAULT

IVECO



JOHN DEERE



CAT



TOYOTA



DODGE

PACCAR



TEREX



BOMBARDIER



HONDA



CHRYSLER



Automotive and Light Truck Interiors

Seating

Cut and sew, pour in place & low pressure molding.

Instrument Panels

Compression molding & vacuum forming.

Door Casings

Compression molding, vacuum forming & low pressure molding.

Gear /Handbrake

Cut and sew.

Sun Visors

HF welding.

Headliners

Compression molding.

Luggage Covers

HF welding.



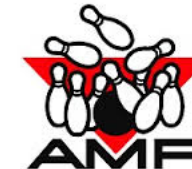
Automotive

- Strong & successful presence in US, UK & Italy
- We are seeing positive developments in Germany
 - Particularly as Germany will remain the volume producer of European automotive 5.6-5.8m vehicles produced there from 2016.
- Spain & Sweden are certainly future targets for us.
- OEM & VM Design & Styling Studios see us as the go to Brand for new color and harmony solutions.



Recreational and Hospitality

- Niche markets driven by specific customer specifications.
- Naugahyde – Strongest brand name in North America for high end robust applications.
- European integration with Ambla and Naugahyde brands leading to growth opportunities
- Continual innovation in product development



NAUGAHYDE[®]
BRAND FABRIC

* End Users

Markets – NAUGAHYDE Applications



ENGINEERED PRODUCTS



Indoor and Outdoor Contract Seating

- Hospitality
- Residential Care
- Stadium Seating



NAUGAHYDE™
DESIGN FABRIC



Indoor and Outdoor Contract Seating

- Medical
- Residential
- Leisure
- Mass Transportation



Thin Film Calendered Sheet

Medical

- Mattress Covers
- Sticking plasters

Nuclear protection

- Contamination suits
- Disposable products

Lamination

- Caravan interiors
- Shop fitting

FR Products

- Cinema screens
- Upholstery

Strollers & Nursery

- Changing mats
- Furniture





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2016 COMPANY OBJECTIVES

2017 Revenue Objectives

Deeper penetration into current automotive OEMs and expanding our customer base

- Automotive OEM's demand Global suppliers across multiple applications & regions
- Focused on Design and technical advancements to lead growth in Auto markets



Entrance into new German OEM's

- Technical and design approval achieved with major German OEM's



Development and Innovation of new technical applications

- Automotive and Non-Automotive customers



Penetrate Industrial & Consumer markets in Europe using power of Uniroyal Brand

- Opportunity in Industrial and Contract Seating Markets

Strategic Performance Objectives

Continued Margin Expansion

- Productivity investments
 - Expanded capacity in Europe with technology upgrades
 - Continued synergy from Acquisition integration
- Driving lean manufacturing and continuous improvement across both manufacturing facilities
- Ramp up unused capacity at high incremental margins



Deliver balance sheet with internally generated cash flow

Strategic Growth Opportunities

Additional accretive earnings through M&A activity

Add-on acquisitions for existing markets

- Rationalization of production capacity in the industry

Complimentary Market Opportunities increase content on existing and new business to expand product offerings & increase target market share.

- Instrument panels
- Door insets
- Headliners
- Water-based coatings
- PU leather technology
- TPO technology



Potential Strategic Growth Opportunities

Geographic Expansion to complete the Global Footprint



Asia (China)

- 50% of Global Coated Fabrics Market
- 42.3% of Auto production
- Growing economy
- Mass Transportation opportunity
- Construction and Agricultural Market - Large
- Hospitality and medical facility expansion
- Residential and commercial furniture demand

Strategic Growth Opportunities

Positioned for Growth

- Infrastructure investment in place to accelerate synergies with future acquisitions
- Flexible capital structure provides financing capability for acquisitions

Management estimates that with geographic expansion, new technology and product development we can expand our current target market from \$2 billion to \$10 billion in the next three to five years



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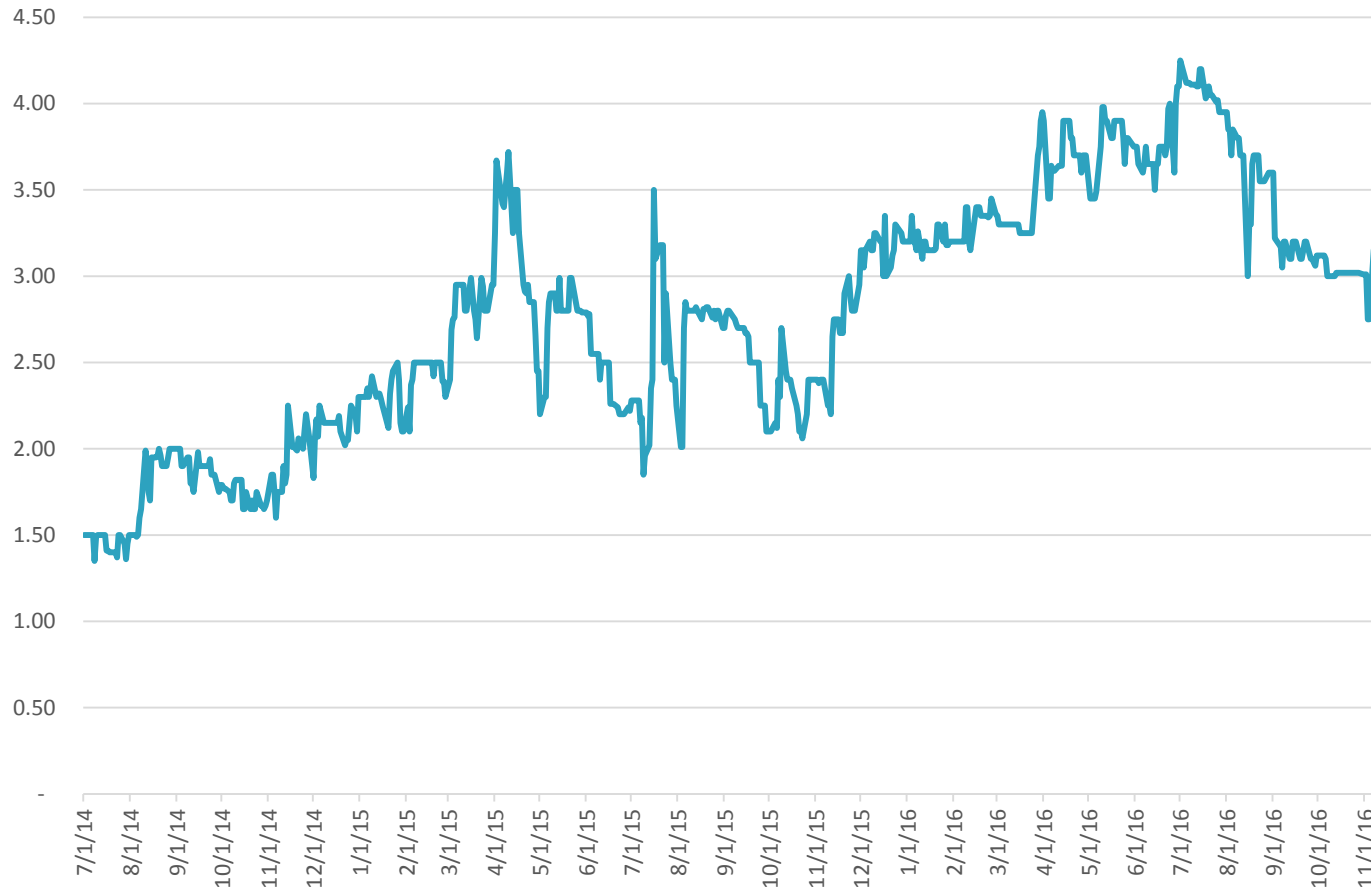
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PUBLIC MARKET

- **April of 2013** - Uniroyal Engineered products acquired Wardle Storeys
- **November of 2014** - Uniroyal merged into Invisa, Inc. (OTCQB:INSA)
- **April of 2015** - Changed company name to Uniroyal Global Engineered Products, Inc. and Changed Stock symbol “UNIR”
- **August 2016** – Preparing to file for up listing

Stock Position, Trend and Growth

UNIR Uniroyal Global Engineered Products, Inc.
Daily Close Stock Price



- **Technologically advanced Company in an established industry**
- **Superior cash generation**
- **Above average revenue growth**
- **Continued margin expansion**
- **Deal integration synergies continue**
- **Diversified platform offers cyclical defense**
- **Has outperformed in declining markets**
- **Additional accretive M&A objective**



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UNIROYAL GLOBAL ENGINEERED PRODUCTS, Inc.

FINANCIAL INFORMATION

Financials

(Unaudited) (\$ in thousands)



Income Statement Summary:

	<u>2015</u>	<u>9 MO</u> <u>2015</u>	<u>9 MO</u> <u>2016</u>
Net Revenue	\$ 99,762	\$ 76,486	\$ 76,977
Gross Profit	\$ 21,949 22.0%	\$ 16,595 21.7%	\$ 17,736 23.0%
Income *	\$ 5,561 5.6%	\$ 4,364 5.7%	\$ 4,844 6.3%
EBITDA	\$ 8,629 8.6%	\$ 6,633 8.7%	\$ 7,372 9.6%

* Income is before tax provisions (NOLs) and preferred dividends

Financials

(Unaudited)

Revenue:

- Net sales for the nine months 2016 increased \$490,797 compared to 2015.
- 2015 period was a 40-week period compared to a 39-week period in 2016. The extra week contributed approximately \$500,000 to the decrease.
- Net currency effect had a negative \$1.7 million impact on 2016 sales.
- Automotive sector was up approximately 5.9% as a result of several new programs.
- Non-automotive sector down approximately 8.6% due to general weakness in the markets in which we compete.

Gross Profit:

- Gross profit for the nine months 2016 increased by \$1.1 million or 6.9%.
- Efficiency initiatives and global integration programs were the drivers for these margin improvements.

Income:

- Income for the nine months 2016 increased by \$480,828 as the increase in gross profit was partially offset by increased operating expenses and currency losses recognized on changes in the fair value of Euro-based financial assets and liabilities.

- Positive growth in automotive sector in both the U.S. and Europe
- Increasing penetration at existing customers
- Expanding customer base
- Introduced a new linen-textured vinyl-coated fabric called Casablanca
- Negative currency translation effect from British Pound on income offset by positive effect of the Euro

Balance Sheets

(\$ in thousands)



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Balance Sheet Summary:

	<u>01/3/16</u>	<u>10/2/16</u>
Cash	\$ 1,910	\$ 1,558
Accounts receivable	14,209	15,452
Inventory	17,528	17,064
Other current assets	2,914	2,309
Fixed assets, net	14,003	13,609
Other assets	<u>7,710</u>	<u>7,751</u>
Total Assets	\$58,274	\$57,743
Accounts payable and other current liabilities	\$11,993	\$12,988
Line of credit	16,577	16,109
Notes to affiliates	6,891	5,453
Other debt	4,733	4,072
Other long-term liabilities	<u>3,812</u>	<u>3,791</u>
Total Liabilities	44,006	42,413
Equity	<u>14,268</u>	<u>15,330</u>
Total Liabilities and Equity	\$58,274	\$57,743

Equity Detail

(\$ in thousands)

Stockholders' Equity:

	<u>1/3/16</u>	<u>10/2/16</u>
Preferred Shares, UEP Holdings, 5.0% dividend (\$20,000,000 liquidation value)	\$ 618	\$ 618
Preferred Shares, UEP Holdings 6.0% dividend (\$15,000,000 liquidation value)	463	463
Preferred Shares, Engineered Products Acquisition Ltd, 5.0% dividend (\$20,000,000 liquidation value)	-	-
Common Stock, 17,271,807 and 17,191,964 shares outstanding January 3, 2016 and October 2, 2016, respectively	17	17
Class B Common Stock, 1,619,102 shares outstanding at January 3, 2016 and October 2, 2016	2	2
Additional Paid in Capital	34,824	34,828
Retained Deficit	(21,675)	(19,481)
Accumulated Other Comprehensive Income	<u>19</u>	<u>(1,117)</u>
	\$ 14,268	\$ 15,330

Thank you for your interest in Uniroyal Global Engineered Products.

Questions



Request copy of our
presentation or for additional
material email to :-
info@uniroyalglobal.com

