



UNIQUELY POSITIONED FOR GROWTH

December 2022

TSX.V:AEP OTC:APEUF

AEP ATLAS ENGINEERED
PRODUCTS

Forward Looking Statements

Disclaimer

This presentation is not, and nothing in it should be construed as, an offer, invitation or recommendation in respect of securities of Atlas Engineered Products Ltd. (the “Company”), or an offer, invitation or recommendation to sell, or solicitation of an offer to buy, the facilities or the securities of the Company in any jurisdiction. Neither this presentation nor anything in it shall form the basis of any contract or commitment. This presentation is not intended to be relied on as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any investor. All investors should consider such factors in consultation with a professional advisor of their choosing when deciding if an investment is appropriate. The Company has prepared this presentation based on information available to it, including information derived from public sources that have not been independently verified. No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions expressed herein. These projections should not be considered a representation of the Company’s potential cash-generation performance in any way.

The financial modelling is a projection, preliminary and subject to change. All forward-looking statements attributable to the Company or persons acting on its behalf apply only as of the date of this document, and are expressly qualified in their entirety by the cautionary statements included elsewhere in this document. The financial modelling is a projection, is preliminary, and is subject to change; the Company undertakes no obligation to update or revise these forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. Inevitably, some assumptions will not materialize, and anticipated events and circumstances may affect the ultimate financial results. Projections are inherently subject to substantial and numerous uncertainties and to a wide variety of significant business, economic, and competitive risks, and the assumptions underlying the projections may be inaccurate in any material respect. Therefore, the actual results achieved may vary significantly from the forecasts, and the variations may be material.

Who & What is AEP

**We are Leading
Manufacturers of
Engineered Wood
Products across
Canada**

Mission

To Provide Quality Solutions and Products in the Communities We Serve, while Building Partnerships across North America

Vision

To Build a Strong, Successful Organization, while Providing a Succession Opportunity to Individual Owner Operators

Our Services

Design, Engineering & Permitting

Our specialist design team uses cutting edge design and engineering technology that ensures you get consistent, accurate, top quality product from our facility. We even help with acquiring building permits.

AEP's team of designers employs state-of-the-art BIM (Building-Information-Modeling) software, laser precision cutting equipment and automated assembly equipment to produce your orders in a controlled indoor factory environment.

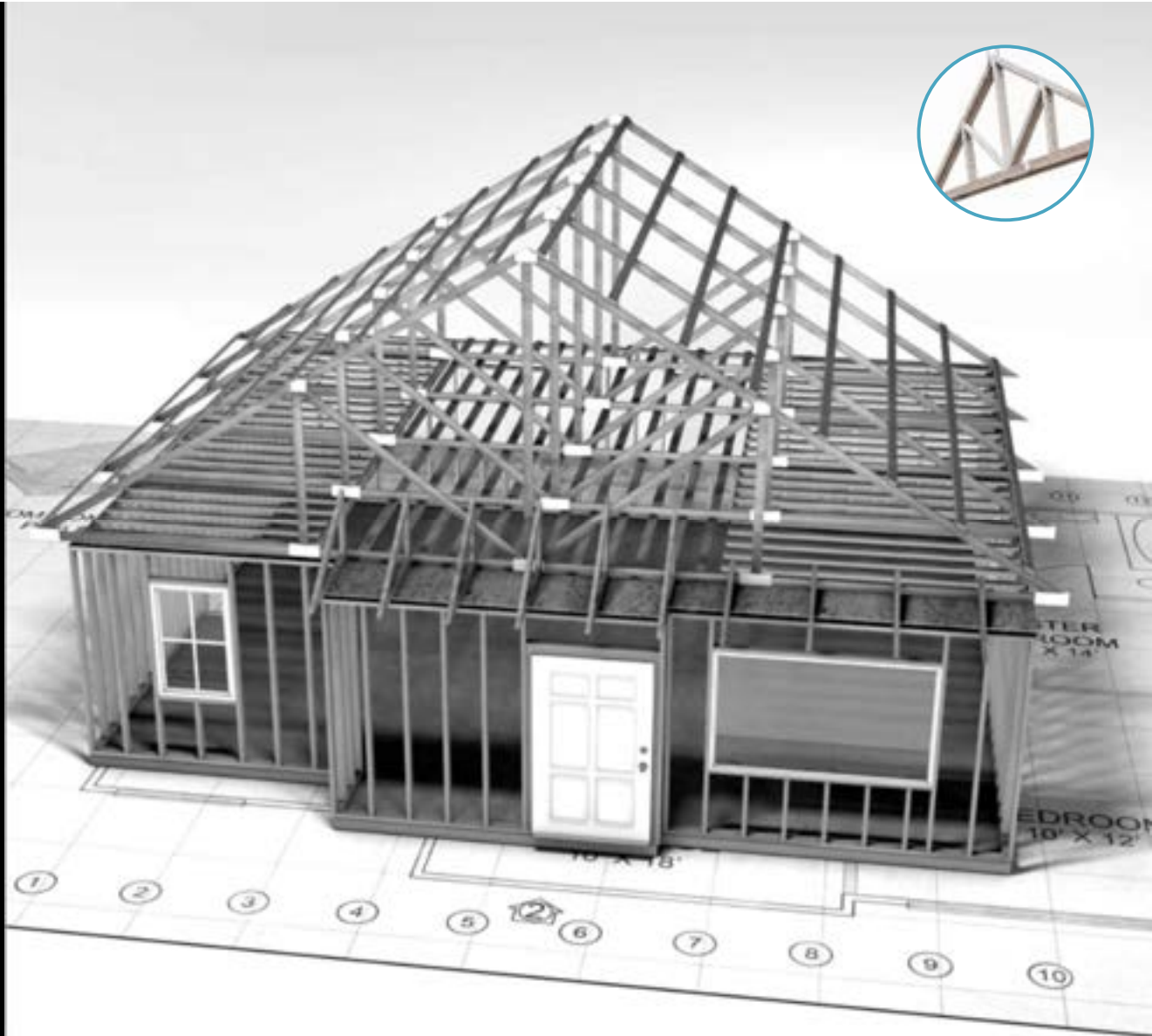


Our Products

Roof Systems & Roof Trusses

Reduce installation times, increase your span options and employ our cost effective, cutting edge design and engineering team.

From the simplest residential building to the most complex commercial designs, AEP roof trusses can be a cost effective and efficient part of your construction project.



Our Products

Floor Systems & Floor Trusses

A practical alternative to framing onsite, our custom-built floor panels give you greater quality control and ensure seamless integration with your wall and roof components.

Quality floor systems and floor trusses from a production facility that also allows customers to reduce on site labour needs or simultaneously work on that next project.



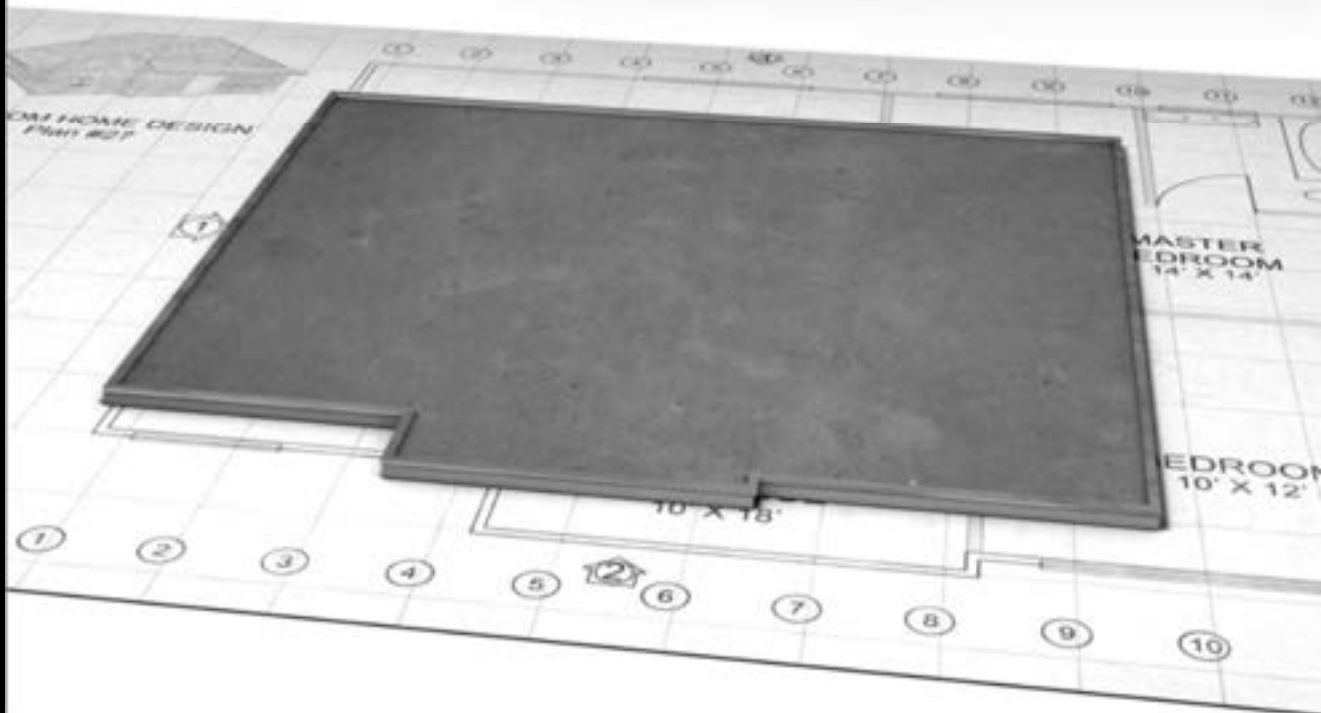
**FLOOR
JOISTS**



**FLOOR
TRUSSES**



**FLOOR
PANELS**



Our Products

Wall Panels

A cost-effective alternative to framing onsite, AEP wall panels give you greater quality control, ability to reduce on site labour requirements, and ensure a seamless integration with your floor and roof components.

Our specialized design software and manufacturing capacity ensures that your walls are square, with proper nailing patterns, and with studs and headers engineered to support applied loads.





Growth Initiatives

Organic Growth

- + Equipment upgrades, automation, and technological improvements
- + Product diversification
- + Sales and territory expansion
- + Manufacturing capacity growth
- + Integration efficiencies

M&A Growth

- + Constantly assessing M&A targets for potential acquisitions
- + Is the geographical location ideal, does it fit with our other locations, is there sales growth potential
- + Are integration efficiencies available
- + Is there automated equipment
- + Is the price right!

AEP Family of Companies

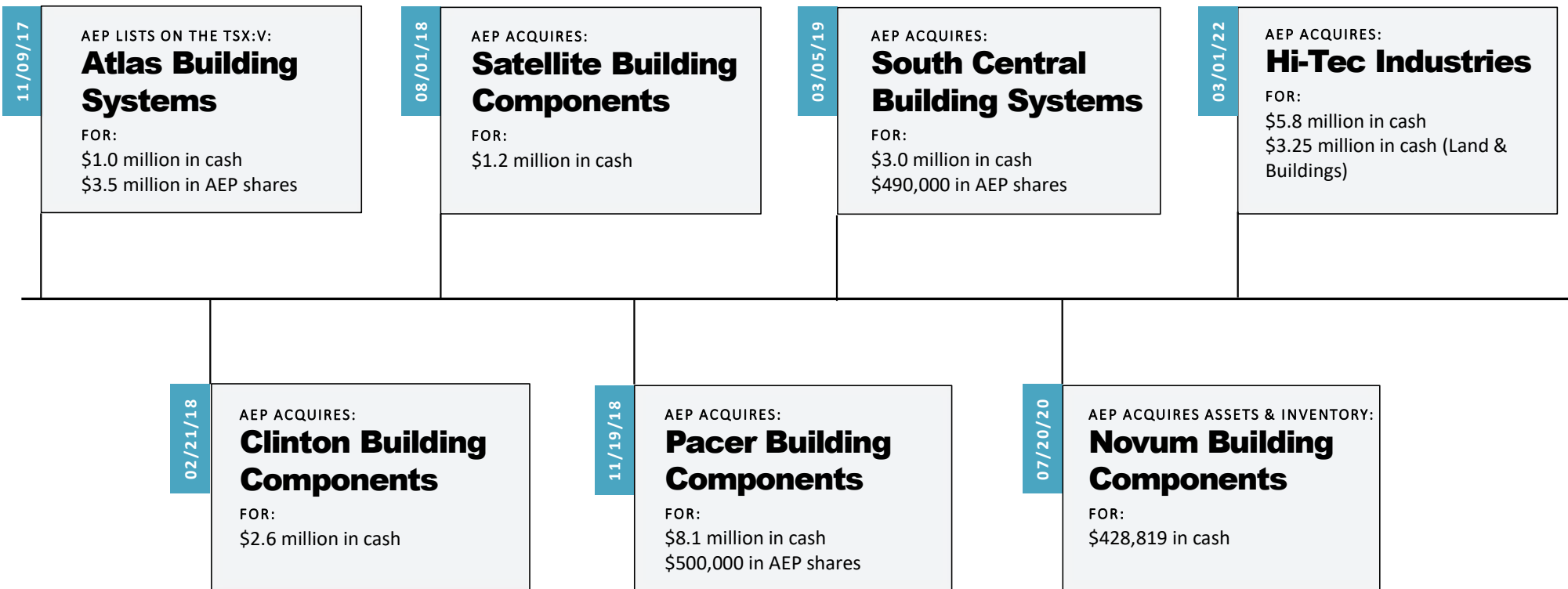
A growing national footprint

Since our inception as AEP in November 2017, we have grown to seven companies.

Our vision is to create a national family of operating companies deeply entrenched in serving regional construction markets. We are strengthening financial and operational performance of these acquired companies through standardized best practices, dedicated sales outreach, cost efficiencies, and extended product mix. And we intend to continue our strategic acquisition path.



Acquisition Growth



Our Clients



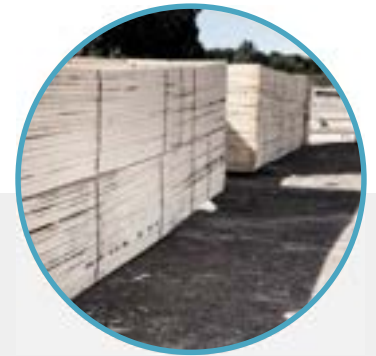
**Single-Family
Home Builders**



**Multi-family, Highrise
&
Sub-Division
Developers**



**Commercial &
Industrial
Developers**



**Lumber & Specialty
Building Yards**

Why Do **Clients** Choose Us?



We save them money

- + Cost effective and efficient
- + National buying power
- + Best-in class design, production and automation technology



We save them time

Offsite customized manufactured roof & floor trusses and wall panels can be installed onsite up to 5x's faster than traditional stick frame construction



We provide expanded product offerings

Roof, wall and floor systems and engineered wood products – offering customers a one-stop product delivery



We are environmentally friendly

- + Uses less energy to manufacture
- + Responsible and renewable
- + Fewer emissions and waste

Organic Growth Initiatives



Product Diversification

- + Wall panel expansion
- + EWP expansion
- + Explore new products that add synergies with our current products and add value for our customer base



Sales Team Development

Continue to develop new talent with technical experience to provide our customers with the best products for efficiency and ease



Equipment Automation

Continue automating and upgrading equipment across all locations when and where financially prudent for growth



Equipment Utilization

Hire and train manufacturing workforce to increase equipment utilization and manufacturing capacity with more shifts that can produce quality products for our customers

Integration Impacts

- + Integration is key after a share or asset acquisition. The Company aims to implement national buying power, system upgrades, technological improvements, and processes to improve efficiencies at each location
- + Integration is ongoing at some locations. COVID-19 travel and public health restrictions limited the ability to complete system and technology upgrades, as well as, the implementation of some processes for efficiency improvement

	Sales (avg)		EBITDA (avg)	
	Before Acquisition	After Acquisition	Before Acquisition	After Acquisition
Share Acquisition 1	\$1.8M	\$3.1M	9%	27%
Share Acquisition 2	\$15M	\$11M	7%	17%
Asset Purchase 1	\$1.3M	NA – No full year	10%	NA – No full year

- + Above table shows the potential EBITDA improvements with acquisitions in their various stages of the integration process
- + Share Acquisition 1: Integration completed, organic growth initiatives in progress
- + Share Acquisition 2: Mid point of integration process
- + Asset Purchase 1: Starting point of integration process

M&A Growth

M&A is an ongoing part of our growth initiatives. We are constantly assessing potential M&A targets and will announce acquisitions as they develop.

Fragmentation

- + The manufactured wood products industry is characterized by hundreds of small regional operators with sales in the range of \$3 to \$15 million, headed by owner-managers that need succession planning
- + These small regional operators are unable or unwilling to invest in technology and automation

Opportunity

Atlas is providing an opportunity for many of these small operators.

- + To profit from operational efficiencies, technological advances, advantages of scale in procurement, and expanded product distribution
- + For arbitrage as acquired companies transition from private ownership to public amid varying transaction structures and prices

M&A Growth

AEP is the well positioned to eliminate the industry's two biggest pain-points.

Size of Market¹

Large fragmented market
unprepared for disruption

6,309

Wood product
manufacturing businesses

\$2.5Bn

Total industry revenue

\$700K

Average revenue

92%

Of companies employ
<100 people

Adoption of Technology²

Need for innovation is crucial to survival
but companies are slow to adapt

70%

believe those who
do not adopt digital
tools will go out of
business

30%

of employees blame
management hesitation
as barrier to adopt new
technologies

41%

percent of
construction
companies only in
the early stages of a
digital transformation

38%

percent of companies
identifying budgeting
as a key limitation

Industry Challenges

Labour market is the tightest since 1990
and projected to become even tighter

300K

Number of additional
construction workers
in Canada needed by
2028³

48%

Proportion of
construction
companies in
Canada that have
difficulty hiring⁴

127K

Number of
residential
construction
workers
required by 2028⁵

250K

Number of
construction workers
expected to retire
over the next 10-years
(~21% of the
workforce)³

93%

Capacity utilization measured
against productivity is the
highest since 1990⁶

¹ Source: Government of Canada ² Source: Visual Capitalist ³ Source: On-Site ⁴ Source: House of Commons Canada ⁵ Source: BDC ⁶ Source: BuildForce Canada

Quarter 3 Financial & Operating Results

- + YTD September 30, 2022 revenue growth was 14% compared to YTD September 30, 2021. This increase represents the Company's best third quarter to date.
- + Gross margin increased to 32% for YTD September 30, 2022 from 27% for YTD September 30, 2021. Gross margins increased due to pricing assessments and updates being completed at all locations due to fluctuating costs of raw materials and labour. The Company has also focused on improving efficiencies on new product lines and acquisitions, in addition to taking advantage of synergies between Hi-Tec and Atlas Building Systems.
- + Normalized EBITDA has improved to \$11,778,911 for YTD September 30, 2022 from \$8,634,709 for YTD September 30, 2021. This turnaround due to increases in revenues and gross margin.

	Three months Ending Sept 30, 2022	Three months Ending Sept 30, 2021	Nine months Ending Sept 30, 2022	Nine months Ending Sept 30, 2021
Total Revenue	17,638,289	17,563,359	46,909,032	41,101,422
Gross Profit	6,164,601	5,450,004	14,794,799	10,972,953
Gross Margin %	35%	31%	32%	27%
Operating Profit	4,391,308	3,886,888	9,545,450	6,276,871
Net Income (loss) after adjustments and taxes	3,131,612	2,793,913	6,739,031	4,494,480
Income per share, basic (\$ per share)	0.05	0.05	0.11	0.08
Income per share, fully diluted (\$ per share)	0.05	0.04	0.11	0.06
Normalized EBITDA	5,155,651	4,580,899	11,778,911	8,634,709
Normalized EBITDA Margin %	29%	26%	25%	21%

Year End Financial & Operating Results

- + Annual revenue growth was 54% for the year ended December 31, 2021 compared to the prior year end. Additionally, revenues increased to \$13,896,440 for the three months ended December 31, 2021 from \$11,057,939 for the three months ended December 31, 2020.
- + Normalized EBITDA has improved to \$12,942,569 for the year ended December 31, 2021 from \$4,045,232 for the year ended December 31, 2020. This continued turnaround due to substantial increases in revenues, gross margin, and reduced operating expenses.
- + Gross margin increased to 37% and 29% for the three months and year ended December 31, 2021 from 20% and 20% in the comparative periods due to diligent management of fluctuating raw material costs and product shortages while also improving efficiencies within the operations.

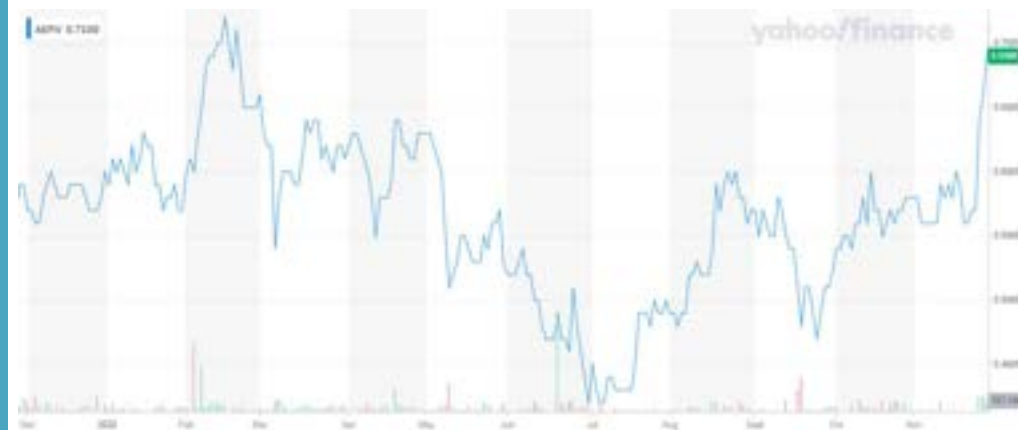
	12 months Ending Dec. 31, 2021	12 months Ending Dec. 31, 2020
Total Revenue	54,997,862	35,734,415
Gross Profit	16,152,936	7,297,020
Gross Margin %	29%	20%
Operating Profit	9,881,032	481,218
Net Income after adjustments and taxes	6,954,348	228,986
Income per share, basic (\$ per share)	0.12	0.00
Income per share, diluted (\$ per share)	0.09	0.00
Normalized EBITDA	12,942,569	4,045,232
Normalized EBITDA Margin %	24%	11%
Cash and cash equivalents on hand	8,947,182	1,816,989

Capital Structure

Atlas Engineered Products Ltd.

TSX.V:AEP OTC:APEUF

Current Price	\$0.71 (as of November 29, 2022)
Market Capitalization	\$40.59M
Shares Outstanding (Basic)	57.2M
Average Daily Volume	75K
52 Week High	\$0.72
52 Week Low	\$0.42
Insider Ownership	16.7% (9.56M shares)



Executive Team

Hadi Abassi

CEO & President, Founder

Mr. Abassi founded AEP in 1999 in Nanaimo, BC and they manufactured roof trusses for Vancouver Island. Bringing more than 25 years of experience to the role, Hadi is an incredible relationship builder and brings his extensive experience in sales, M&A and the wood products industry to AEP as its CEO & President. Mr. Abassi's significant experience developing successful teams specializing in sales, design, and production will be invaluable to future growth and development.

Melissa MacRae CPA, CA

Chief Financial Officer

As Interim CFO, Mrs. MacRae provides overall leadership and direction for the Company's financial operations as she oversees accounting, financial planning and analysis and information technology. Melissa started with AEP in 2012 by spending significant time learning the entire operation from sales, to design, to production, and finance. This knowledge has been invaluable as AEP has become a public company. Mrs. MacRae progressed from her initial role to Controller, Group Controller and then Director of Finance. In 2019, Melissa joined the Executive Team as Interim CFO before being promoted to CFO in Jan 2022. In addition to her CPA designation, Melissa holds a Bachelor of Business Administration from Vancouver Island University.

Gurmit Dhaliwal

Chief Operating Officer

As the VP: Operations, Ms. Dhaliwal leads the development of the overarching operational strategy for all locations across Canada. Gurmit is a results-oriented leader with 20 years' experience in the wood products industry. Gurmit provides innovation and strategic methods to improve processes while encouraging and developing organic growth initiatives. Specialized in shaping operational strategies based on her well-rounded knowledge of the entire business, Gurmit leads her team to achieve increased revenue, profitability, productivity and high-quality customer satisfaction. Ms. Dhaliwal holds a Business Administration Diploma in Finance from Vancouver Island University.

Board of Directors

Don Hubbard, ICD.D

Board Chair

Mr. Hubbard is currently President and CEO of Hubbard Consulting Ltd., and Owner of RCR Mining LLP. He was also Board Chair of the Vancouver Island Health Authority from 2010-2017. Formerly Mr. Hubbard was General Manager of Lafarge North West Division and Island operations.

Greg Smith

Director

Mr. Smith is President of Broadway Refrigeration & Air Conditioning Co. Ltd. and Omega Mechanical Ltd and is Chairman of Lite Access Technologies. He previously held senior positions in investment banking before transitioning to private equity with the acquisition of one of the largest HVAC companies in Western Canada.

Hadi Abassi

Director, CEO & President, Founder

Mr. Abassi founded AEP in 1999 in Nanaimo, BC and they manufactured roof trusses for Vancouver Island. Bringing more than 25 years of experience to the role, Hadi is an incredible relationship builder and brings his extensive experience in sales, M&A and the wood products industry to AEP as its CEO & President. Mr. Abassi's significant experience developing successful teams specializing in sales, design, and production will be invaluable to future growth and development.

Kevin Smith

Director

Mr. Smith is a Chartered Accountant and the Chief Financial Officer of Northland Properties Corporation. He previously served as Chief Financial Officer of IntraCorp Projects Ltd from 2012-2020 and as Chief Financial Officer, Executive Vice President, and Corporate Secretary at Whistler Blackcomb where he successfully led an initial public offering in 2010. He is a Director of Lite Access Technologies Inc. Mr. Smith holds a Bachelor of Science from the University of British Columbia.






Paul Andreola

Director

Mr. Andreola has over 20 years of business development and financial markets experience including senior management, marketing, and communications roles for early stage companies. Previously in his career, Mr. Andreola was a licensed investment advisor for over 10 years and has facilitated multiple early stage private and public companies in the resource and technology sectors. Mr. Andreola currently the CEO and director of Brisio Innovations Inc. (CSE:BZI) and Ironwood Capital Corp. (TSXV:IRN.P), and is a director of ImmunoPrecise Antibodies Ltd. (TSXV:IPA).

Atlas Engineered Products

Key Points

-  **Market leader**
 - + AEP is the first national consolidator of the Canadian wood products manufacturing industry, with operations in British Columbia, Manitoba, and Ontario
-  **Multiple avenues for growth**
 - + Fragmented industry ripe for consolidation and disruption
 - + Attractive profile of strong organic growth year over year
-  **Positive industry trends**
 - + Manufactured wood products is a mature industry with low volatility and steady growth
 - + Quality prefabricated building components support ongoing skilled labour shortages in the construction industry
-  **Strong track record of profitability**
 - + Strong profitability in fiscal 2021 with net income after adjustments and taxes of \$6.9M and normalized EBITDA of \$12.9M.
 - + Continued strong profitability for the nine months ended September 2022 with net income after adjustments and taxes of \$6.7M and normalized EBITDA of \$11.8M.
-  **Capable team**
 - + Highly talented, experienced, and motivated team of employees
 - + Proven and accomplished management team with 15+ years average industry experience



Our Assets

- + Quality Leadership
- + Experienced Workforce
- + Innovation + Automation
- + Great Facilities + Equipment
- + Steller Available Capacity
- + Economies of Scale
- + Physical Footprint
- + Research + Development

AEP Uniquely Positioned for Growth



AEP

ATLAS ENGINEERED
PRODUCTS

Contact us

Jake Bouma
Bouma Consulting Ltd.
jake.bouma@atlasaep.ca
IR Consultant for AEP

Atlas Engineered Products
2005 Boxwood Rd
Nanaimo, BC V9S 5X9
info@atlasaep.ca

atlasengineeredproducts.com

TSX.V:AEP
OTC:APEUF