



PRESS RELEASE

SUPREMEX ANNOUNCES THE ACQUISITION OF GRAF-PAK INC.

Synergistic tuck-in addition to folding carton operations

Montréal, Québec, May 8, 2023 – Supremex Inc. (“Supremex” or the “Company”) (TSX: SXP), a leading North American manufacturer and marketer of envelopes and a growing provider of paper-based packaging solutions, announced today the acquisition of the assets of Graf-Pak Inc. (“Graf-Pak”), a provider of folding carton packaging solutions to a variety of commercial markets. The transaction was concluded for a total consideration of approximately \$6.0 million, on a cash-free and debt-free basis, subject to customary adjustments, financed through the Company’s existing credit facility.

Founded in 1995 and employing close to 25 people, Graf-Pak operates a facility located in Pointe-Claire, Québec, near the Company’s primary folding carton plant in Lachine. Its offering is comprised primarily of the printing and manufacturing of folding carton packaging products, mainly for the food and cosmetics markets. For its last fiscal year, Graf-Pak generated sales of approximately \$6.7 million.

“The acquisition of Graf-Pak is a perfect fit with our existing folding carton operations in Quebec,” said Stewart Emerson, President and CEO of Supremex. “Graf-Pak’s well-established business in the food and cosmetics sectors will provide further critical mass in these two important growth vectors for Supremex. Its state-of-the-art equipment ensures speed, efficiency, accuracy and superior quality at every step of the manufacturing process. Given its proximity, we intend to integrate Graf-Pak’s operations into our Lachine hub over the next 90 days and we expect this tuck-in operation to rapidly yield synergies within our folding carton group.”

Forward-Looking Information

This press release contains “forward-looking information” within the meaning of applicable Canadian securities laws, including (but not limited to) statements about synergies generated by the acquisition of Graf-Pak and the continued employment of its employees. Forward-looking information may include words such as anticipate, assumption, believe, could, expect, goal, guidance, intend, may, objective, outlook, plan, seek, should, strive, target and will. Such information relates to future events or future performance and reflects current assumptions, expectations and estimates of management as at the date of this press release. Supremex cautions that such assumptions may not materialize and that economic conditions such as heightened inflation and central banks’ large interest rate hikes, economic downturns or recessions, may render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty.

Forward-looking information is subject to certain risks and uncertainties and should not be read as a guarantee of future performance or results and actual results may differ materially from the conclusion, forecast or projection stated in such forward-looking information. These risks and uncertainties include but are not limited to the following: decline in envelope consumption, growth and diversification strategy, key personnel, labor shortage, contributions to employee benefits plans, cyber security and data protection, raw material price increases, operational disruption, dependence on and loss of customer relationships, increase of competition, economic cycles, exchange rate fluctuation, interest rate fluctuation, credit risks with respect to trade receivables, availability of capital, concerns about protection of the environment, potential risk of litigation, no guarantee to pay dividends and global health crisis. In addition, risks and uncertainties arising as a result of the COVID-19 pandemic that could cause results to differ from those expected include, but are not limited to:

potential government actions, changes in consumer behaviors and demand, changes in customer requirements, inflationary pressures on input costs and incapacity to pass raw material increases to customers, disruptions of the Company's suppliers and supply chain, availability of personnel and uncertainty about the extent and duration of the pandemic. Such risks and uncertainties are discussed throughout the Management Discussion and Analysis ("MD&A") for fiscal year ended December 31, 2022 and, in the Company's Annual Information Form dated March 31, 2023 in particular, in "Risk Factors". Consequently, the Company cannot guarantee that any forward-looking information will materialize. Readers should not place any undue reliance on such forward-looking information unless otherwise required by applicable securities legislation. The Company expressly disclaims any intention and assumes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

The MD&A and Financial Statements can be found on www.sedar.com and on Supremex' website.

About Supremex

Supremex is a leading North American manufacturer and marketer of envelopes and a growing provider of paper-based packaging solutions. Supremex operates eleven manufacturing facilities across four provinces in Canada and six manufacturing facilities in four states in the United States employing over 1,000 people. Supremex' growing footprint allows it to efficiently manufacture and distribute envelope and packaging solutions designed to the specifications of major national and multinational corporations, direct mailers, resellers, government entities, SMEs and solutions providers.

For more information, please visit www.supremex.com.

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