



PRESS RELEASE

SUPREMEX ANNOUNCES THE ACQUISITION OF IMPRESSION PARAGRAPH INC.

Transaction further enhances folding carton offering to niche markets

Montréal, Québec, January 16, 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 shares of Impression Paragraph Inc. (“Paragraph”), an integrated provider of paper-based packaging, print and point of sale products for a broad range of commercial markets. The transaction was concluded for a total consideration of approximately \$26.6 million, on a cash-free and debt-free basis, subject to customary adjustments, financed through the Company’s existing credit facility.

Founded more than 35 years ago, Paragraph operates two facilities located in Ville-Saint-Laurent and Saint-Hyacinthe, Québec. Its offering consists primarily of folding carton packaging and point-of-sale displays for the cosmetic, pharmaceutical, food, confectionary and retail sectors. It also provides an array of commercial, digital and wide-format printing. For the 12-month period ended October 31, 2022, Paragraph generated sales of approximately \$38.6 million.

“We are excited with this acquisition and the critical mass it brings to our folding carton operations,” said Stewart Emerson, President and CEO of Supremex. “Paragraph is a well-managed company with sound assets, available capacity, a solid reputation and excellent brand awareness in the Quebec marketplace. Its proven know-how, unique capabilities and strong customer relationships can be leveraged to further expand our reach in the value-added packaging space and will yield important synergies. We are thrilled to welcome Paragraph’s management and 175 employees to the Supremex team,” concluded Mr. Emerson.

Paragraph boasts an exceptional track record for quality, having won several prestigious distinctions while also ranking among Canadian Business’ 500 Fastest Growing Companies in Canada.

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 Paragraph 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 current economic conditions 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: global health crisis, decline in envelope consumption, increase of competition, economic cycles, key personnel, labor shortage, contributions to employee benefits plans, raw material price increases and availability, operational disruption, exchange rate fluctuation, growth by acquisitions, availability of capital, credit risks with respect to trade receivables, interest rate fluctuation, concerns about protection of the

environment, potential risk of litigation, cyber security and data protection and no guarantee to pay dividends. 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, 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, 2021 and, in the Company's Annual Information Form dated March 30, 2022 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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