

SUPREMEX ANNOUNCES RESULTS FOR THE FIRST QUARTER OF 2026

Montreal, Quebec, May 7, 2026 – 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, today announced its results for the first quarter ended March 31, 2026. The Company will hold a conference call to discuss these results today at 9:00 a.m. (Eastern Time).

First Quarter Financial Highlights and Recent Events

- Total revenue of \$74.8 million, up 6.6% from \$70.2 million in the first quarter of 2025.
- Envelope segment revenue of \$50.9 million, versus \$48.4 million a year ago.
- Packaging & Specialty Products segment revenue of \$24.0 million, versus \$21.8 million last year.
- Net earnings of \$0.8 million, or \$0.03 per share, versus \$1.9 million, or \$0.08 per share, in the first quarter of 2025.
- Adjusted EBITDA¹ of \$9.9 million, or 13.2% of revenue, up from \$8.8 million, or 12.6% of revenue, last year.
- On January 29, 2026, the Company launched an optimization initiative involving the closure of its Envelope facility in Indianapolis, Indiana. Management anticipates this initiative will result in annual cost savings in excess of \$1.5 million once all measures are implemented.
- Acquisition on April 20, 2026, of the shares of Fantasia Printing Ltd, doing business as iFlex Labels (“iFlex”), a label manufacturing company located in Saint-Laurent, Quebec.
- Concurrently with the acquisition of iFlex, the Company undertook a reorganization of its label business, including the planned relocation of both its existing label facility in Laval, Quebec and the newly acquired iFlex label manufacturing facility in Saint-Laurent, Quebec, with all label operations to be consolidated into the Lachine, Quebec folding carton plant. As this was initiated subsequent to quarter end, no provision was recorded in the Q1 2026 financial statements. The Company estimates it will record a restructuring provision of approximately \$0.2 million in Q2 2026, and to generate annual cost savings in excess of \$0.5 million.
- On May 6, 2026, the Board of Directors declared a quarterly dividend of \$0.05 per common share, payable on June 18, 2026, to shareholders of record at the close of business on June 4, 2026.

Financial Highlights (in thousands of dollars, except for per share amounts and margins)	Three-month periods ended March 31	
	2026	2025
Statement of Earnings		
Revenue	74,841	70,228
Operating earnings	3,723	3,778
Adjusted EBITDA ⁽¹⁾	9,880	8,829
Adjusted EBITDA margin ⁽¹⁾	13.2%	12.6%
Net earnings	785	1,920
Basic and diluted net earnings per share	0.03	0.08
Adjusted net earnings ⁽¹⁾	1,850	2,152
Adjusted net earnings per share ⁽¹⁾	0.08	0.09
Cash Flow		
Net cash flows related to operating activities	(832)	6,965
Free cash flow ⁽¹⁾	(1,835)	6,800

⁽¹⁾ Non-IFRS financial measures or ratios. Non-IFRS financial measures do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other entities. Refer to the non-IFRS financial measures section for definitions and reconciliations.

¹ Non-IFRS financial measures or ratios. Refer to the non-IFRS financial measures section for definitions and reconciliations.

“Supremex generated solid revenue and adjusted EBITDA growth in the first quarter,” said Stewart Emerson, President and CEO of Supremex. “Our Envelope business delivered another quarter of year-over-year volume growth, driven by our expanded reach in the U.S. market and contributions from recent acquisitions, while pricing improved as we have begun lapping mix-related factors that weighed on last year’s performance. In Packaging & Specialty Products, momentum from successful business development efforts in folding carton and e-commerce packaging solutions generated 10% revenue growth and the highest adjusted EBITDA margin in three years.”

“Looking ahead, our foundation is stronger than ever, both operationally and financially, as we continue to methodically position the company for long-term success. Operationally, our sustained focus on productivity improvements and footprint optimization is paying off, while our teams across both segments continue to drive revenue growth by leveraging our brand, expanding share of wallet with existing customers, and securing new customer wins. Financially, our near debt-free balance sheet provides exceptional flexibility to advance our business plan and deliver sustainable, long-term profitable growth,” concluded Mr. Emerson.

Summary of three-month period ended March 31, 2026

Revenue

Total revenue for the three-month period ended March 31, 2026, was \$74.8 million, representing an increase of \$4.6 million, or 6.6%, from the equivalent quarter of 2025.

Envelope Segment

Revenue was \$50.9 million, representing an increase of 5.0% from \$48.4 million in the first quarter of 2025. The variation is attributable to a 6.0% increase in the volume of units sold reflecting new customer wins and share of wallet growth in the U.S., as well as volume from the acquisitions of Enveloppe Laurentide and Elite Enveloppe. Average selling prices decreased by 0.9% from last year’s first quarter primarily due to a less favourable customer and product mix in the U.S. The Envelope segment represented 67.9% of the Company’s revenue in the quarter, versus 68.9% in the equivalent period of last year.

Packaging & Specialty Products Segment

Revenue was \$24.0 million, up 10.0% from \$21.8 million in the first quarter of 2025. The increase mainly reflects higher folding carton revenue driven by share of wallet gains with large multi-national consumer packaged goods customers, continued e-commerce secondary packaging market expansion, new business wins from existing customers, and revenue from the acquisition of Trans-Graphique in Q3 2025. The Packaging & Specialty Products segment represented 32.1% of the Company’s revenue in the quarter, versus 31.1% in the equivalent period of last year.

EBITDA² and Adjusted EBITDA²

EBITDA was \$8.4 million, compared to \$8.5 million in the first quarter last year. Adjusted EBITDA was \$9.9 million, versus \$8.8 million in the first quarter of 2025, an increase of 11.9%. The increase reflects higher revenue and an improved gross margin to 28.0% in the first quarter of 2026 from 27.6% in 2025. Although selling, general and administrative expenses increased by \$0.4 million year over year, they represented 14.8% of revenue for the first quarter of 2026, compared to 15.2% of revenue for 2025. As a result, Adjusted EBITDA margin was 13.2% of revenue, versus 12.6% in the equivalent quarter of 2025.

Envelope Segment

Adjusted EBITDA was \$8.4 million, versus \$8.3 million in the first quarter of 2025. Higher sales volumes improved the absorption of fixed manufacturing costs and contributed to margin expansion, more than offsetting the impact of lower average selling prices, which were largely mix-related. As a percentage of segmented revenue, Adjusted EBITDA from the Envelope segment was 16.6%, compared with 17.2% in the equivalent period of 2025.

² Non-IFRS financial measures or ratios. Refer to the non-IFRS financial measures section for definitions and reconciliations.

Packaging & Specialty Products Segment

Adjusted EBITDA was \$3.7 million, versus \$3.3 million in the first quarter of 2025, an increase of 12.9%. This increase mainly reflects the effect of higher volume, which improved the absorption of fixed manufacturing costs, and contributed to an increase in gross margin to 30.4% in the first quarter of 2026 from 29.1% in 2025. As a percentage of segmented revenue, Adjusted EBITDA from the Packaging & Specialty Products segment was 15.4%, compared to 15.0% in the equivalent period of 2025.

Corporate and other non-allocated expenses

Corporate and other non-allocated expenses were \$2.3 million compared to \$2.8 million in the first quarter of 2025. The decrease was mostly due to lower professional fees.

Net Earnings, Adjusted Net Earnings³, Net Earnings Per Share and Adjusted Net Earnings Per Share³

Net earnings were \$0.8 million or \$0.03 per share for the three-month period ended March 31, 2026, compared to \$1.9 million or \$0.08 per share for the equivalent period last year.

Adjusted net earnings were \$1.9 million or \$0.08 per share for the three-month period ended March 31, 2026, compared to \$2.2 million or \$0.09 per share for the equivalent period in 2025.

Liquidity and Capital Resources

Cash Flow

Net cash flows used by operating activities were \$0.8 million during the three-month period ended March 31, 2026, compared to net cash flows provided of \$7.0 million in the equivalent period of 2025. The variation is largely attributable to \$7.4 million in working capital requirements in the first quarter of 2026, primarily due to the settlement of income taxes arising from the prior-year sale and leaseback transaction, higher revenue year over year which resulted in higher accounts receivable, and to lower profitability this year compared to last year.

Free cash flow³ was negative \$1.8 million in the first quarter of 2026, compared to positive \$6.8 million for the same period last year. The variation is mainly attributable to lower cash flows related to operating activities, driven by the settlement of income taxes arising from the prior-year sale and leaseback transaction, and slightly higher additions of property, plant, and equipment.

Debt and Leverage

Total debt increased to \$8.5 million as at March 31, 2026, compared to \$4.1 million as at December 31, 2025. The variation is essentially attributable to working capital requirements, mainly due to the settlement of income taxes arising from the prior-year sale and leaseback transaction.

Dividend Declaration

On May 6, 2026, the Board of Directors declared a quarterly dividend of \$0.05 per common share, payable on June 18, 2026, to the shareholders of record at the close of business on June 4, 2026. This dividend is designated as an "eligible" dividend for the purpose of the Income Tax Act (Canada) and any similar provincial legislation.

Outlook

Demand for the Company's products is influenced by current economic volatility, ongoing trade uncertainty, postage increases and reduced service standards at the United States Postal Service, as well as reputational challenges at Canada Post arising from labour issues. These factors contribute to variability in the Company's operating environment. As it continues to expand in the vast and fragmented U.S. envelope market, the Company will rely on its solid reputation and geographic reach to stimulate revenue growth while continuing to proactively control expenses.

³ Non-IFRS financial measures or ratios. Refer to the non-IFRS financial measures section for definitions and reconciliations.

The Company continues to focus on optimizing operating efficiency, productivity, and capacity utilization throughout its network, as well as on capturing all revenue and cost synergies from recent business acquisitions. In this regard, initiatives launched in January 2026 for the Envelope segment are expected to result in annual cost savings in excess of \$1.5 million once all measures are implemented.

As a continuation of these initiatives, and in parallel with its most recent acquisition, the Company is reorganizing its label business by closing its label facilities in Laval, Quebec and the newly acquired label manufacturing facility in Saint-Laurent, Quebec. All label operations will be consolidated into the folding carton plant located in Lachine, Quebec, generating additional estimated annual cost savings in excess of \$0.5 million.

With respect to capital deployment, the Company will continue to look for strategic acquisitions, mainly in the Packaging & Specialty Products segment, while sustaining capital returns to shareholders.

May 7, 2026 – First Quarter Results Conference Call:

A conference call to discuss the Company's results for the first quarter ended March 31, 2026, will be held Thursday, May 7, 2026, at 9:00 a.m. (Eastern Time). A live broadcast of the Conference Call will be available on the Company's website, in the Investors section under Webcast.

To participate (professional investment community only) or to listen to the live conference call, please dial the following numbers. We suggest that participants call in at least 5 minutes prior to the scheduled start time:

- Local (Toronto) and international participants, dial: 647-846-8776
- North American participants, dial toll-free: 1-833-752-3804

A replay of the conference call will be available on the Company's website in the Investors section under Webcast. To listen to a recording of the conference call, please call toll-free 1-855-669-9658 or 412-317-0088 and enter the code 2745276. The recording will be available until Thursday, May 14, 2026.

Non-IFRS Financial Measures

Non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies and should not be viewed as alternatives to measures of financial performance prepared in accordance with IFRS. Management considers these metrics to be information which may assist investors in evaluating the Company's profitability and enable better comparability of the results from one period to another.

These Non-IFRS Financial Measures are defined as follows:

Non-IFRS Measure	Definition
EBITDA	EBITDA represents earnings before net financing charges, income tax expense, depreciation of property, plant, and equipment and right-of-use assets and amortization of intangible assets. The Company uses EBITDA to assess its performance. Management believes this non-IFRS measure, provides users with an enhanced understanding of its operating earnings.

Non-IFRS Measure	Definition
Adjusted EBITDA	<p>Adjusted EBITDA represents EBITDA adjusted to remove items of significance that are not in the normal course of operations and/or that do not reflect the Company's operating expenses and are not indicative of the Company's core operating performance. These items of significance include, when applicable, but are not limited to, charges for impairment of assets, restructuring expenses, value adjustment on inventory acquired, business acquisition costs, and gain on sale and leaseback.</p> <p>The Company uses Adjusted EBITDA to assess its operating performance, excluding items that are not in the normal course of operations and/or that do not reflect the Company's operating expenses and are not indicative of the Company's core operating performance. Management believes this non-IFRS measure provides users with enhanced understanding of the Company's operating earnings and increases the transparency and clarity of the Company's core results. It also allows users to better evaluate the Company's operating profitability when compared to previous years.</p>
Adjusted EBITDA margin	<p>Adjusted EBITDA margin is a percentage corresponding to the ratio of Adjusted EBITDA divided by revenue.</p> <p>The Company uses Adjusted EBITDA margin for the purpose of evaluating business performance, excluding items that are not in the normal course of operations and/or that do not reflect the Company's operating expenses and are not indicative of the Company's core operating performance. Management believes this non-IFRS measure, provides users with enhanced understanding of its results and related trends.</p>
Adjusted net earnings	<p>Adjusted net earnings represent net earnings excluding items of significance listed above under Adjusted EBITDA, net of income taxes.</p> <p>The Company uses Adjusted net earnings to assess its business performance and profitability without the effect of items that are not in the normal course of operations, and/or that do not reflect the Company's operating expenses and are not indicative of the Company's core operating performance, net of income taxes. Management believes this non-IFRS measure provides users with an alternative assessment of the Company's earnings without the effect of items that are not in the normal course of operations or reflective of operating performance, making it valuable to assess ongoing operations and trends in the business performance. Management also believes this non-IFRS measure provides users with enhanced understanding of the Company's results and provides better comparability between periods.</p>
Adjusted net earnings per share	<p>Adjusted net earnings per share represents Adjusted net earnings divided by the weighted average number of common shares outstanding for the relevant period.</p> <p>The Company uses Adjusted net earnings per share for the purpose of evaluating performance and profitability, excluding items that are not in the normal course of operations of the Company, net of income taxes, on a per share basis.</p>
Free cash flow	<p>This measure corresponds to net cash flows related to operating activities according to the consolidated statements of cash flows, less additions (net of disposals) to property, plant, and equipment and intangible assets.</p> <p>Management considers Free cash flow to be a good indicator of the Company's financial strength and operating performance because it shows the amount of funds available to manage growth, repay debt and reinvest in the Company. Management considers this measure useful to provide investors with a perspective on its ability to generate liquidity, after making capital investments required to support business operations and long-term value creation.</p>
Net debt	<p>Net debt represents the Company's total debt, net of deferred financing costs and cash.</p> <p>The Company uses Net debt as an indicator of its indebtedness level and financial leverage as it represents the amount of debt that is not covered by available cash. Management believes that investors could benefit from the use of net debt to determine a company's financial leverage.</p>
Net debt to Adjusted EBITDA ratio	<p>Net debt to Adjusted EBITDA ratio represents Net debt divided by trailing 12-month (TTM) Adjusted EBITDA.</p> <p>This ratio is used by management to monitor the Company's financial leverage and management believes certain investors use this ratio as a measure of financial leverage.</p>

The following tables provide the reconciliation of Non-IFRS Financial Measures:

Reconciliation of Net earnings to Adjusted EBITDA (in thousands of dollars, except for margins)	Three-month periods ended March 31	
	2026	2025
Net earnings	785	1,920
Income tax expense	1,455	801
Net financing charges	1,483	1,057
Depreciation of property, plant, and equipment	1,208	1,488
Depreciation of right-of-use assets	1,708	1,568
Amortization of intangible assets	1,802	1,682
EBITDA	8,441	8,516
Acquisition costs related to business combinations	26	—
Restructuring expenses	1,413	313
Adjusted EBITDA	9,880	8,829
<i>Adjusted EBITDA margin (%)</i>	<i>13.2%</i>	<i>12.6%</i>

Reconciliation of Net earnings to Adjusted net earnings and of Net earnings per share to Adjusted net earnings per share (in thousands of dollars, except for per share amounts)	Three-month periods ended March 31	
	2026	2025
Net earnings	785	1,920
Adjustments, net of income taxes		
Acquisition costs related to business combinations	19	—
Restructuring expenses	1,046	232
Adjusted net earnings	1,850	2,152
Net earnings per share	0.03	0.08
Adjustments, net of income taxes, per share	0.05	0.01
Adjusted net earnings per share	0.08	0.09

Reconciliation of Cash flows related to operating activities to Free cash flow (in thousands of dollars)	Three-month periods ended March 31	
	2026	2025
Cash flows related to operating activities	(832)	6,965
Acquisitions (net of disposals) of property, plant, and equipment	(1,003)	(140)
Acquisitions of intangible assets	—	(25)
Free Cash Flow	(1,835)	6,800

Net debt to Adjusted EBITDA ratio (in thousands of dollars except for ratios)	As at March 31, 2026	As at December 31, 2025
	Total debt	8,463
Deferred financing costs	(294)	(63)
Cash	(4,042)	(3,090)
Net debt	4,127	982
Adjusted EBITDA – TTM ⁽¹⁾	31,003	29,952
Net debt to Adjusted EBITDA ratio	0.13	0.03

⁽¹⁾ Refer to the "Selected Quarterly Operating Results" section for more information on the results of each of the last eight quarters.

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 the EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net earnings, Adjusted net earnings per share, free cash flow, Net debt, Net debt to Adjusted EBITDA ratio⁴, split of revenue between its Envelope and Packaging segments, capital expenditures, dividend payments, the normal course issuer bid, the automatic share purchase plan and the intended purchase for cancellation of common shares of the Company thereunder, and future performance of Supremex and similar statements or information concerning anticipated future results, circumstances, performance or expectations. 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 regarding growth, results of operations, performance, business prospects and opportunities, Canadian economic environment and ability to attract and retain customers. Such forward-looking information reflects current assumptions, expectations and estimates of management and is based on information currently available to Supremex as at the date of this press release. Such assumptions, expectations and estimates are discussed throughout the MD&A for the year ended December 31, 2025, and in the Company’s Annual Information Form dated March 27, 2026. Supremex cautions that such assumptions may not materialize and that economic conditions such as economic uncertainty, downturns or recessions, or the imposition of tariffs or trade restrictions, 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, labour shortage, contributions to employee benefits plans, raw material price increases, operational disruption, cyber security and data protection, dependence on and loss of customer relationships, increase of competition, economic conditions and uncertainty, risk related to the international trade and tax environment (including tariffs, quotas and custom and other restrictions), 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 and, no guarantee to pay dividends. Such risks and uncertainties are discussed throughout the MD&A for the year ended December 31, 2025, and in the Company’s Annual Information Form dated March 27, 2026, particularly 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 Management Discussion and Analysis and Financial Statements can be found on www.sedarplus.ca 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 nine manufacturing facilities across four provinces in Canada and four manufacturing facilities in three states in the United States employing approximately 900 people. Supremex’ extensive network 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.

-30-

Contact:

Normand Macaulay
Chief Financial Officer
investors@supremex.com
514 595-0555, extension 2316

Martin Goulet, M.Sc., CFA
MBC Capital Markets Advisors
mgoulet@maisonbrison.com
514 731-0000, extension 229

⁴ Non-IFRS financial measures or ratios. Refer to the non-IFRS financial measures section for definitions and reconciliations.