



February 18, 2021

RE: • UPDATE - Polypropylene (PP) Price Increase Change &
• New Polystyrene (PS) Price Increase Announcement

Dear Valued Fabri-Kal Customer:

On February 2, 2021, we communicated an 8% price increase on all of our polypropylene (PP) product lines which was originally planned to go into effect on Monday, March 15, 2021. Unfortunately, since the time of our announcement, new information has surfaced leading us to change the details of our pending increase.

The continued and severe shortage of propylene feedstocks is creating ongoing polypropylene resin supply issues, resulting in further escalation of raw material costs. In response, Fabri-Kal is announcing a change to the previously communicated price increase on the following product lines, now effective Thursday, April 1, 2021.

20% Increase: All Polypropylene (PP) products as outlined below:

- Nex-Clear Cups, including Custom Prints
- Kids Cups and Lids, including Stock and Custom Prints
- Pro-Kal Deli Containers and Lids, including Custom Prints
- Polypropylene Portion Cups
- Sidekicks Round Containers and Lid

In addition, we are also announcing a new polystyrene (PS/HIPS) price increase for the product lines shown below. This increase is likewise due to the rising costs of raw material and will also be effective Thursday, April 1, 2021.

8% Increase: All Polystyrene (PS/HIPS) products as outlined below.

- RK Translucent Cups and Lids including Custom Prints
- Polystyrene Portion Cups and Lids
- Kal-Tainer Deli Containers and Lids
- Food Containers and Lids
- Juice Cups and Lid

All orders placed by 5:00 p.m. (Eastern Standard Time) on or before Wednesday, March 31, 2021, calling for immediate shipment, will be invoiced at the current price. Buy-ins cannot be accommodated.

All escalation clauses on current contracts and bids will be implemented.

Thank you for your continued support of Fabri-Kal Corporation during these challenging times.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chuck Garlock', written over a horizontal line.

Chuck Garlock
Vice President of Sales & Marketing