

Date: 17th of March 2022



Interket Group
Ejby Industrivej 91
DK-2600 Glostrup
Denmark

Notification of Continuing Paper Supply Chain Disturbances

Dear Valued Customer,

Following our notification of paper supply disturbances dated the 7th of February we would like to inform you that the shortage of label material continue and affects the whole industry.

A strong demand and lack of different components has led to a combination of shortages in availability, increasing delivery times and steep raw material price increases. In addition to this the strike at UPM, which is one of the world's largest producers of base material for the label industry is putting tremendous pressure on the supply chain. The strike was originally set to end by the 20th of January but has recently been prolonged until the 16th of April unless an agreement is reached before that date.

We are currently experiencing a dramatic increase in lead times from all of our raw material suppliers and certain paper grades are no longer available. Several suppliers are now invoking Force Majeure and have found themselves forced to make another significant price increase during March. Unfortunately we expect further price increases during the year and the supply chain challenges are likely to continue for the remainder of the year.

Rest assured that we are doing our outmost to keep the adverse effects as limited as possible and we are currently evaluating alternative sourcing channels. During this period of market disturbance, alternative grades and constructions may need to be offered as a substitute (where available) and your cooperation with this would be greatly appreciated.

We will continue to monitor the situation and your account manager or internal customer service representative is available to you should you wish to discuss this matter further.

We ask for your understanding during this continued period of exceptional circumstances and hope that we can overcome this market situation by acting together in partnership.

Yours sincerely,
On behalf of the Interket Group

Carl E Parkander
CEO

Craig Appleby
Group Procurement Manager