

Global Thermal Paper Update

February 1, 2018

Dear Valued Customers,

Two weeks ago, we published a Global Thermal Paper Update to keep you, our customers, informed on the latest developments, rumors, and speculation impacting the thermal paper market. Last Friday, Pulp and Paper Week, arguably the paper industry's most respected publication, reinforced and expanded on many of the issues we highlighted in our last update. To date, the supply chain remains unchanged as production has yet to resume for any of the major chemical companies.

As indicated in our previous update, costs continue to escalate in the market due to the chemical shortage. These rising costs are now affecting new product categories and have reached the point that we are forced to raise prices across our portfolio. This announcement includes all cost increases that have been received across our supplier platform and have factored in additional cost factors such as transportation. We have performed an extensive amount of analysis to determine the increase amounts amidst a number of key variables such as the number of suppliers, the varying increase levels, and implementation dates.

This price increase will impact the majority of our product categories including labels, Iconex Sticky Media, and POS thermal. Due to the varying price increase amounts by product category, Iconex sales representatives will be communicating specific details to each customer individually.

All price increases are effective on orders shipped on or after March 1st.

Iconex continues to recognize the pressure and frustration associated with these unprecedented and uncontrollable market circumstances. While we are very confident that we have accounted for all cost increases, in this current market it is impossible to know for sure. However, we do believe that there is light at the end of the tunnel associated with the escalating costs and are hopeful that we will see stabilization with the market in the coming months. We continue to work closely with our suppliers to both ensure supply and to mitigate additional short-term cost increases. With that in mind, we are committing to our customers that we will not implement any new price increases for a minimum of 90 days following the March 1st increase. We will continue to provide regular updates to keep you informed in the interim.

As always, you can also obtain the latest market information by contacting your Iconex Sales Representative or visiting www.iconex.com, www.ritemade.com, and www.pmcompany.com.

I want to thank you again for your patience and partnership in what remains an ever-evolving marketplace. We appreciate your valued business and continued support!

Sincerely,



Craig A. Gunckel
Chief Executive Officer