



PRESS RELEASE

SUPREMEX ANNOUNCES PLAN TO OPTIMIZE COSTS AT ITS ENVELOPE PLATFORM

Montreal, Quebec, December 1, 2020 – 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 a plan to further optimize its Canadian envelope operations by reducing expenses and improving resource allocation.

Supremex will be closing its Edmonton facility and reducing its Canadian envelope facility headcount by a total of 39 employees, or approximately 5% of its total workforce. These measures will result in annual cost reductions of approximately \$2.4 million, before taxes, which will begin to materialize in the current quarter and throughout the first three quarters of 2021 as operations wind down in Edmonton. A one-time charge of approximately \$2.5 million, before taxes, will be recorded in the Company’s 2020 fourth quarter results.

“We deeply regret the effect that these measures will have on employees and their families, and wherever possible, we have worked with them on early retirement possibilities,” said Stewart Emerson, President & CEO of Supremex. “These cost saving initiatives will allow us to limit the impact of the pandemic and ongoing secular decline on our legacy envelope business and realize synergistic opportunities resulting from our February 2020 acquisition of Royal Envelope. As stated previously, our focus in 2021 will remain on extracting operational leverage, profitably grow our packaging platform and creating shareholder value”.

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 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 liability 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 our MD&A for the quarter ended September 30, 2020. Supremex cautions that such assumptions may not materialize and that current economic conditions, including all of the current uncertainty resulting from the ongoing COVID-19 health crisis and its broader repercussions on the global economy, 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, economic cycles, decline in envelope consumption, increase of competition, growth by acquisition, reliance on key personnel, raw material price increases, exchange rate fluctuation, concerns about protection of the environment, availability of capital, credit risks with respect to trade receivables, interest rate fluctuation, potential risk of litigation, contributions to employee benefits plans, cyber security and data protection, no guarantee to pay dividends and past cash payments. 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 MD&A for the year ended December 31, 2019 and the Company's Annual Information Form dated March 30, 2020, and, in particular, in "Risk Factors" in both these documents. 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.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 13 facilities across six provinces in Canada and three facilities in the United States employing approximately 850 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, resellers, government entities, SMEs and solutions providers. For more information, please visit www.supremex.com.

Contact:

Stewart Emerson

investors@supremex.com

(514) 595-0555, extension 2316