

July 1, 2021

Dear Valued Amscan Customer,

We appreciate your continued partnership during these interesting times. Like you, we are excited to see consumers returning to a more normal pattern for celebrating life and driving revenue for your business. Consumer behaviors are shifting across our categories, driving solid increases in demand as they get caught up celebrating this year's events as well as the ones missed or delayed during the pandemic. This activity has driven positive demand on a strained global supply chain which is making our operating environment very dynamic. As the global economy has recovered from the COVID-19 pandemic, **we have seen unprecedented inflation from our raw material suppliers, freight companies, direct labor, and manufacturing suppliers in the past 6 months.** We have taken and will continue to take numerous actions to mitigate these pressures, but it is now necessary for us to adjust our market pricing.

Our hope was that many of these increases would be temporary but given the current environment and the recent forecasts on inflation, we are announcing a price increase on our product line. We have attempted to manage the increase in a way to minimize the overall impact for your operation which allows consumers to still celebrate life at a reasonable value.

Effective October 1, 2021, there will be price increases on Everyday Amscan items. Seasonal items will be adjusted on a rolling basis as those seasonal order windows arrive. The overall blended increase will result in about a 5% increase. We took a measured approach in determining which categories received the increases based on the cost pressures mentioned above.

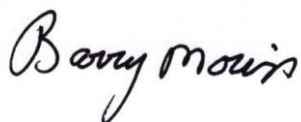
Effective January 1, 2022, there will be a 3% price increase on Solid Color Plastic & Paper Plates, Table Covers, Napkins, Cutlery, and Printed Paper and Plastic Tableware (Licensed and Non-Licensed).

Understandably, price changes can be very disruptive to your business, which is why our price changes are not effective till October 1, 2021, and January 1, 2022. Orders placed prior to those dates for the categories effected, must be in line with historical order volumes. Amscan reserves the right to cancel, short ship, or reject any orders that fall outside of these parameters.

Within the next few weeks our Sales team will be in contact to share more detail with you and provide you with a new price listing reflecting the new prices.

Thank you for your continued partnership.

Sincerely,



Barry Morin
SVP Sales Amscan Consumer Products

