



August 2, 2021

Dear valued partners,

Thank you for your continued loyalty and support of your NDI Family. We have shared some trying times together through disrupted supply chains, rising raw materials costs, and sharply rising transportation costs from lack of available containers, ships, trucks, drivers and unbelievable demand in our industry and all others. Through this we have succeeded together to this point and shall do so in the going forward.

The country of Malaysia has been shut down since June 1st causing the manufacture of PL (performance laminate) to shut down for two months. Therefore, some inventory items may require longer lead times and your customers may have to consider color or product substitutions verses backordering an item if immediate delivery is required. The government of Malaysia has announced the opening of their economy in early August; thankfully, containers will flow again soon. We have been working tirelessly to fill the need for laminate through factories from other countries and have successfully secured production from new locations. This new production is expected to begin arriving in the fourth quarter of this year. Please plan and set your customer expectations accordingly.

Shipping costs have risen dramatically due to the shortage of containers and space availability on the container ships. We have already experienced these increases. However, NDI will continue to work diligently to hold down costs as well as securing space on these ocean-going vessels. All mentioned above is resulting in further cost increase across all spectrums of our industry. NDI will have variable increases this weekend and a most likely more in the future. Below is a link regarding container shortage.

<https://www.zerohedge.com/markets/containers-are-being-built-record-pace-its-still-not-enough>

We believe this is the time to strengthen your supply relationships, assist you in increasing your inventory levels, increase your prices accordingly to maintain your profitability, and continue to thrive as an enduring and formidable business.

Kindest and most sincerely,

A handwritten signature in black ink, appearing to read "Jimmy Green".

Jimmy Green