

# KOALA KARE PRICE INCREASE

Dear Valued Distributor,

This letter is to notify you that Koala Kare Products will be issuing a new price list effective July 1, 2021.

After an incredibly challenging year for our business, we have now faced unprecedented cost increases on steel, resin, corrugated and freight. Key product component such as steel has seen increases greater than 45%. Continued investments in our manufacturing has aided in offsetting some of these increases. We are judicious in price increases with a per product approach, and conscious of the effect to your business. As an example, plastic baby changing stations have not incurred a price increase since 2017. Through continued productivity improvements, we were able to hold pricing. While we have not taken price increases on all products, categories such as high chairs, booster seats and plastic baby changing stations will see a price increase of 4-5%.

You are encouraged to discuss pricing with your Koala Representatives and/or your Koala Sales Manager. Orders placed before June 30, 2021 at the old pricing will be honored only if shipped before July 31, 2021. Orders received after June 30, 2021 reflecting non-documented and/or old pricing will be returned to the customer for correction.

Minimum Advertised Pricing (MAP), per Koala's Advertising Protocol will adjust accordingly as of August 1, 2021.

Since 1987, Koala has been providing safe, quality, durable and innovative childcare products.

We wish to thank you for your valued business and look forward to our continued relationship in 2021 and the years ahead.

Sincerely,  
Koala Kare Team

May 7, 2021