



To: Shopko Vendors
Re: Important Information Regarding Shopko's Restructuring

I am writing to you today with a difficult and important update regarding Shopko's future.

As you know, over the last several weeks we have been working to engage with prospective buyers. Unfortunately, despite our best efforts, we were unable to reach an actionable agreement with any buyer interested in operating the business as a going concern. As a result, this week we will begin the difficult process of commencing an orderly wind-down of our retail operations. We are still evaluating our strategic options for our optical business as a go forward-business.

We entered into the Chapter 11 process with the goal of executing a going-concern transaction under a set of legal protections that would hopefully provide us the time needed to address our challenges while allowing us to continue to serve our customers.

We are committed to working constructively with our liquidator, Gordon Brothers, to ensure an orderly wind-down of operations that minimizes the impact of this development on our teammates, customers, vendors and the communities we serve.

Vendors with questions can contact the hotline maintained by our claims agent, Prime Clerk, at (844) 205-7495 (toll-free in the U.S.) or +1 (347) 576-1550 (for parties outside the U.S.) or via the internet at <https://cases.primeclerk.com/shopko>.

We will be in touch over the next few weeks as we move through the liquidation process. Thank you for your business and loyalty over the years.

Sincerely,

Russ Steinhorst
SHOPKO CEO