

VOTE FOR TRANSPARENCY...LIQUIDITY...PERFORMANCE

EVERCEL STOCKHOLDERS: PLEASE VOTE THE BLUE PROXY CARD TODAY TO SUPPORT OUR BUSINESS PROPOSALS TO AMEND EVERCEL'S BYLAWS AND ELECT THREE HIGHLY-QUALIFIED INDEPENDENT DIRECTORS TO THE BOARD

September 23, 2021

Dear Fellow Evercel Stockholders,

My name is James D. Gerson and I am, together with Richard A. Krantz (collectively “we”), a substantial stockholder of Evercel, Inc. (“Evercel” or the “Company”), beneficially owning, in the aggregate, approximately 12% of the Company’s outstanding common stock.

We are writing to you today because we are seeking your support at the Company’s upcoming annual meeting of stockholders, scheduled to occur virtually at 10:00 a.m. Eastern Time on Thursday, October 7, 2021 (the “Annual Meeting”), to amend the Company’s Second Amended and Restated By-laws (the “Bylaws”) to allow stockholders to expand the size of the Board and fill the resulting vacancies with three new highly-qualified independent directors.

With an expanded Board, we believe Evercel can be a much more successful company that is more focused on maximizing stockholder value and improving the Company’s liquidity.

Why do we feel now is the time to expand the Board? Because, in our view, **Evercel has not lived up to its potential as a small cap focused growth company.** The model Evercel has attempted to emulate is Warren Buffet’s Berkshire Hathaway Inc., a company that reinvests its permanent capital in successful, growing companies. Unfortunately, Evercel’s track record has been conspicuously unimpressive. Despite the flexibility and ability to act quickly given its sizable cash resources, the Company has not undertaken strategic transactions that have resulted in commensurate returns to stockholders. In the nearly nine years since the purchase of Printronix, the Company’s stock has only appreciated from approximately \$0.90 to \$2.09 as of September 22, 2021, an increase of approximately 122%. This is substantially less appreciation than the market as a whole. Over the same time period, the Dow Jones Industrial Average increased by approximately 267%, the S&P 500 increased by approximately 312%, the Russell 2000 increased by approximately 262% and the NASDAQ Composite increased by over 500%.

We believe an enhanced Board can unlock greater value for the benefit of all stockholders.

We are also concerned with the lack of transparency and timely reporting to stockholders.

We are deeply troubled that the Company’s financial reporting has been unreasonably delayed. The March 2020 year end information was not available to stockholders until February 2021, which was over 10 months after year end. As of this writing, the March 2021 financial information (the “2021 fiscal year”) is **still not available.** As stockholders, we also have not been provided with information about the compensation paid to Daniel Allen, the Company’s President and Chief

Executive Officer, which we suspect may be in excess of \$20 million during his nine year tenure at the Company. Without more complete disclosure, we fear management is being highly compensated despite the Company's clear underperformance compared to the broader markets.

While Mr. Krantz currently sits on the Board and I previously served as Chairman of the Board, our voices alone have not been sufficient to implement the actions we believe are necessary to hold management accountable and drive greater stockholder value. That is why we are seeking to expand the Board and elect three new truly independent directors who will work to improve the Company's transparency and liquidity, **including by strongly advocating for an up-listing to NASDAQ where the Company's stock could be more readily used for future acquisitions**, and to ensure management is properly incentivized to build long term stockholder value.

If stockholders approve our proposal to amend the Bylaws to expand the Board, we are seeking to fill the resulting vacancies with the following three new directors:

- **Daniel Lewis**, age 52, is the portfolio manager of Gem Partners L.P., a hedge fund offering portfolio management and advisory services. Mr. Lewis has significant investment experience and possesses a stockholder mindset to better align management with performance.
- **Richard Lewisohn III**, age 79, is a highly successful corporate finance executive and has substantial experience initiating, negotiating, structuring and financing acquisitions for publicly traded entities. Mr. Lewisohn was a Senior Managing Director at Burnham Securities Inc. He previously led the Corporate Finance Department at Herzfeld & Stern and was the Director of Investment Banking at Gruntal & Co. Mr. Lewisohn has also served on numerous boards giving him strong corporate governance experience.
- **Alan Mitrani**, age 47, is a successful hedge fund investor. He has over 25 years of investment experience, including both as a securities analyst and hedge fund manager. Mr. Mitrani is currently a Managing Director at Sylvan Lake Asset Management. Prior to joining Sylvan Lake, Mr. Mitrani was previously employed as a Partner at Copper Beech Capital Management, Inc. and an Equity Research Analyst at Donaldson, Lufkin & Jenrette Securities Corp.

Enclosed is a proxy statement and BLUE proxy card that provides more information on the proposals that will be presented at the Annual Meeting and how to vote.

Stockholders will be asked to vote on the following five proposals at the Annual Meeting:

1. The Company's proposal to elect its two Class I director nominees, Richard Perkins and Patrick McGeehin (the "Company Nominees"), to the Board each serving for a three year term or until their successors are elected and qualified;
2. The Company's proposal to vote on the ratification of the appointment by the Company of Baker Tilly US, LLP as the Company's independent registered public accounting firm for the fiscal year ending March 31, 2021;

3. Our proposal to repeal any change to the Bylaws that may have been adopted by the Board on or after September 2, 2021 that could prevent the adoption of our proposed amendments to the Bylaws (the “Bylaw Restoration Proposal”);
4. Our proposal to amend the Bylaws to permit stockholders to (i) increase the size of the Board and fix the size of the Board at nine members through the 2024 annual meeting of stockholders and (ii) fill vacancies on the Board, including the exclusive right to fill vacancies resulting from an expansion of the Board approved by stockholders (the “Bylaw Amendment Proposal”); and
5. Our proposal to elect, assuming the Bylaw Amendment Proposal is approved at the Annual Meeting, Daniel Lewis as a Class I director to the Board to serve a term expiring at the 2024 annual meeting of stockholders or until his successor is duly elected and qualified, Richard Lewisohn III as a Class II director to serve a term expiring at the 2022 annual meeting of stockholders or until his successor is duly elected and qualified, and Alan Mitrani as a Class III director to serve a term expiring at the 2023 annual meeting of stockholders or until his successor is duly elected and qualified (the “Election Proposal”).

We do not oppose the election of the Company Nominees in Proposal 1. However, for the above reasons, we believe the Board should be further expanded to include truly independent directors selected by stockholders, so that the Board has the right mix of skillsets and fresh perspectives to better achieve full and fair value.

Your vote is extremely important. In order to expand the Board and allow stockholders to fill the resulting vacancies with three new highly-qualified directors, we must receive support from a majority of the shares outstanding and entitled to vote on the Bylaw Restoration Proposal (Proposal 3) and Bylaw Amendment Proposal (Proposal 4).

Proposal 1, Proposal 2, Proposal 3 (Bylaw Restoration Proposal) and Proposal 4 (Bylaw Amendment Proposal) are not subject to, or conditioned upon, the effectiveness of the other proposals. Proposal 5 (Election Proposal) is conditioned upon approval and effectiveness of the Bylaw Amendment Proposal. If the Bylaw Amendment Proposal is not approved and effective, there will be no vacancies on the Board to fill and Messrs. Lewis, Lewisohn and Mitrani will not be elected to the Board.

WE STRONGLY URGE ALL STOCKHOLDERS TO VOTE FOR THE BYLAW RESTORATION PROPOSAL, FOR THE BYLAW AMENDMENT PROPOSAL AND FOR ALL THREE OF OUR HIGHLY-QUALIFIED DIRECTORS ON THE BLUE PROXY CARD TODAY!

If you have any questions or need help voting your shares, please contact Saratoga Proxy Consulting LLC at (888) 368-0379 or email info@saratogaproxy.com.

Thank you for your consideration and support.

James D. Gerson

**PLEASE VOTE FOR NEW DIRECTORS COMMITTED TO IMPROVING
TRANSPARENCY, LIQUIDITY AND PERFORMANCE AT EVERCEL**

Voting is Quick & Easy!

- 1) Only your latest dated vote counts. If you have already voted Evercel's white proxy card or provided your vote to their proxy solicitor over the phone, a later-dated vote on the BLUE card will revoke your prior vote.**
- 2) Since time is short before the October 7th Annual Meeting, please vote by Internet or Telephone. You will need your control number which appears on your BLUE proxy card and/or BLUE voting instruction form. Please follow the instructions located on your BLUE proxy card and/or BLUE voting instruction form.**
- 3) Please vote each and every BLUE voting form you receive since you may hold shares in more than one account. Do not vote any white voting form from Evercel, even as a protest vote.**

Please call Saratoga Proxy Consulting LLC with any questions:

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