

Dear business partners,

Good news is to be cherished, bad news to be transmitted swiftly. Unfortunately, and unwilfully but with the best intentions to fulfil our agreements and supply you with goods in according packaging quality we are forced to temporarily increase prices of packaging. With the great restart of economy - after a long COVID season - new challenges have risen and we are facing problems that cannot be foreseen even few weeks ago. Situation in Europe with raw materials, packaging and transportation turned flipped in course of few weeks.

Here is a brief overview of raw material inputs for packaging: Wood + 100 %, Paper + 150 %, Plastic + 200 %.

And at the end of the day, it is not only about the price but also availability, which is troublesome. In the past we have announced extended lead times for packaging – a need for longer scheduling periods. This has even extended to the "unknown" values in some cases. As much as we'd like to maintain the level of prices we agreed we are forced to do following changes:

The price of pallets (both sizes) is changed to 17 € - we will also redeem any pallet in good conditions for the same price.

Packaging for different pallet arrangement:

- Grids + 57 %
- Paper inlays (EUR) +14.3 %
- Paper inlays (IND) +11.1 %
- Paper separator +20 %
- Safepack foil +40 %
- Average foil for pallets + 20 %
- Average cardboard custom box +25 % + price of internal grid
- Average packaging for laboratory glass +100 %

In the above-mentioned increase of packaging prices, it is clear that it covers only part of the increase of our inputs - we only ask you for a participation on the overall impact of the unexpected growth.

In order to comply with the high standard, you expect from us we have no other way then apply these increases in <u>already confirmed orders</u> - your partner in Sklárny Moravia will explain you details of this arrangement for your orders and help you to identify these extra costs. We hope these changes are going to be temporary as we'll be very happy to find a way how to cut the costs back.



Even there has been significant and steep increases in raw-manufacturing materials as well as huge increase of gas energy we wish to keep the price of glass on the agreed level throughout the year 2021.

We call for you kind understanding, we are fighting the odds every day with the best will to provide only the best quality to you – our customers.

Should you have any questions or concerns, please do not hesitate your business manager in Sklárny Moravia, or directly me.

I thank you personally for your understanding. With very Best Regards,

Radim Bondy
Sales Director