

New price list effective from 1st January 2023.

Dear Customer,

we inform you that the new price lists, in attachment, will be in effect starting from 1st January 2023.

2022 was a challenging year in an unstable market for global trade; the global geopolitical situation has increased trade challenges impacting production and logistics, already strained by the ongoing uncertainties of the pandemic and its impact on supply chain.

We would like to share with you the main factors that have led to the annual price increase:

- **Inflation**

Inflation rates are rising significantly in almost every country in the world. A large proportion of the price adjustment is intended to offset the effects of the cost increases of our business activities. We are influenced not only by inflationary pressures in the Italian market but also by those affecting international commercial activity.

- **Cost of energy**

Our cost base is also determined by other external factors related not only to inflation but specific to our sector such as, for example, administrative and energy procurement costs, which cost has increased dramatically, forcing us to implement all measures aiming at better energy efficiency (e.g. LED lights, application of solar panels, new production equipment, etc.).

VI.BE.MAC. has invested heavily in this energy saving policy and believes that these new introductions will lead to ensure stability of energy costs in the immediate future, while making the cost of expensive energy more efficient in the medium/long term.

- **Increased raw material costs**

In addition to the increase in the cost of energy, VI.BE.MAC uses non-energy raw materials, such as metals, plastics and cardboard/box packaging.

The effects of the price increase in the petrochemical sector are directly reflected in the costs of plastic materials. Plastics prices are currently around 50% to 75% above the average for the previous year, i.e. 2021 (source: R & SI).

The growing demand for online shopping, combined with the reduced capacities of global paper suppliers and a more strict regulation of the manufacturing process, has also led to a considerable increase in the prices of the boxes: about 50% more (Sources: HWWI, Deutsche Bundesbank).

Among ferrous metals, steel, after a constant decline, has stabilized and fluctuates around a value that represents +54.6% compared to the pre-Covid price (source: PricePedia).

The price of aluminum, which grew steadily until the beginning of March 2022, has now returned to the levels of the end of 2021, however recording a +41.2% compared to the pre-Covid period (source: PricePedia).

We look forward to our successful cooperation and are committed to supporting your business anytime, anywhere.

Our commercial department is at disposal for further information.

Best Regards,

VI.BE.MAC. S.p.A.