

April 25, 2024

Dear Valued Customer,

The polyester film industry remains in a state of flux, both on a global scale and domestic US. Over the past two years, we've navigated through an unsustainable pattern marked by escalating costs and declining price margins across all film categories. These real costs include increases across raw materials, energy, labor, packaging material and inbound freight from international sources. Operating within this inflationary economic landscape, we've struggled to maintain optimal pricing due to sluggish demand influenced by factors such as shifting consumer preferences and inventory adjustments through 2023

Recently, there's been a degree of equilibrium in global production capacity, with global manufacturers focusing more on regional markets. This shift has coincided with an uptick in domestic demand, resulting in higher than normal lead times. However, challenges persist, particularly in the form of increased costs, freight rates and prolonged lead times stemming from disruptions in the Red Sea region, affecting all inbound supplies from offshore facilities

In response to these dynamics and in an effort to ensure sustainable returns and mitigate rising operational costs, Polyplex USA is implementing a price adjustment of \$0.07 per pound across our entire 'Sarafil' film portfolio effective all shipments from May 6, 2024.

We acknowledge that any price increase presents an adjustment to our valued partners, but we also recognize the necessity of operating at sustainable levels to uphold the integrity of our partnerships and the viability of our business ecosystem

Sincerely,



Manav Singh  
Vice President – Sales & Marketing

**Polyplex USA LLC**  
3001 Mallard Fox Dr NW  
Decatur AL 35601, USA

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