

To all business partners

20. September 2022

Energy cost surcharge

Dear Ladies, Dear Gentlemen,

The current supply situation, coupled with the skyrocketing prices for all types of energy, is now also forcing Röhm to react at short notice.

Electrical energy is at the heart of our production processes, which mainly involve machining. Unfortunately, we currently have to buy electricity for this at eight times the price of six months ago.

We use natural gas in our hardening and tempering plants and our hall and office heating, and we currently have to pay 15 times the price for this compared to 2021.

Of course, we didn't foresee such scenarios, even in our most extreme worst-case plans. Our calculations have, therefore, long been obsolete, and our prices no longer cover our costs.

We held still as long as we could and have been operating with unchanged prices since the beginning of this crisis. However, we can no longer afford to pay the sharply increased energy costs; otherwise, we would be endangering our own business.

We have thought long and hard about how best to do this in a way that is fairest to our customers and have come to the decision that a temporary energy cost surcharge is the right solution.

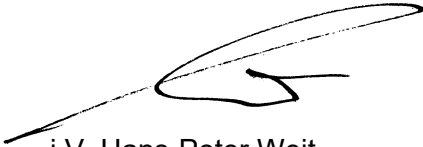
RÖHM GmbH, Heinrich-Röhm-Straße 50, 89567 Sontheim, Germany

Therefore, please understand that we will charge an energy cost surcharge of 3.9% on all orders from 1 October 2022 onwards, which we will show separately on our quotations, order confirmations and invoices.

We will make every effort to keep this energy cost surcharge unchanged with no increases until 31 December 2022 but reduce it downwards should energy costs fall. However, as soon as the energy cost situation returns to normal, we will completely do away with this energy cost surcharge.

Finally, please allow us to emphasise that we are not increasing prices here but merely have to compensate for part of our enormously increased energy costs with a corresponding surcharge that can be reversed at any time.

Yours sincerely



i.V. Hans-Peter Weit