

## Dear Customers,

With investing in our production and productivity we have been able to keep our prices stable regardless generally growing costs since 2018. But due to the well-known situation of exploding material costs we are forced to act. Specifically steel prices almost doubled in some specifications.

As we expect this global bottle neck to clam down by the end of the year, we took the decision not to generally increase prices but to charge a timely limited material cost compensation. From June, 1<sup>st</sup> we will therefore invoice a 6% markup on all affected products. For transparency this will be shown separately on each invoice. Each quarter we will validate the market development and eventually adjust this mark up. If applicable, we will of course also reduce!

We appreciate your understanding for this, in our view, fair and transparent measure.

And we also want to take the opportunity to thank you for your long-lasting trust and to assure you our continuing service.

Heitersheim, May 2021

General Management Heger GmbH Excellent Diamond Tools