



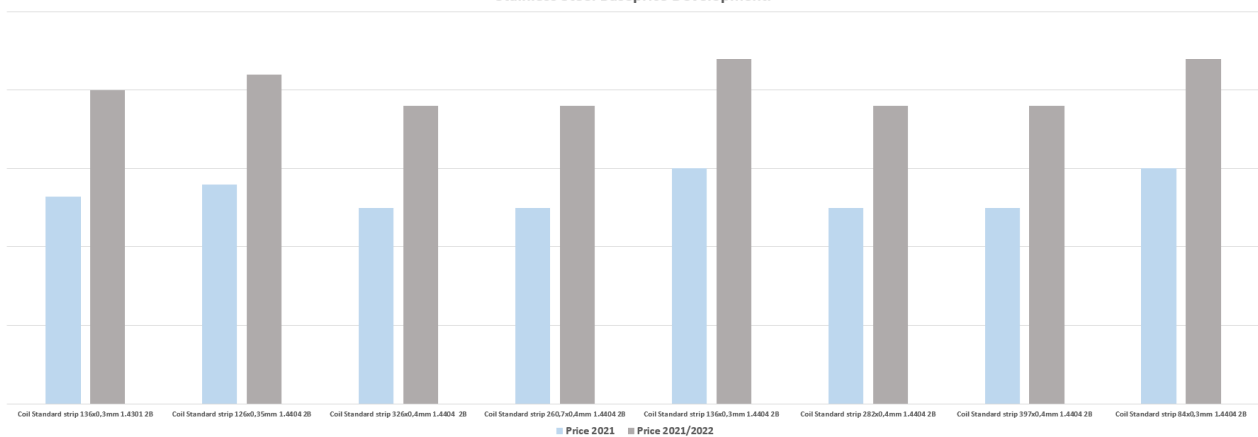
Price adjustment due to increased material costs from August 16, 2021

Dear Ladies and Gentlemen,

In May of this year, we already informed about the tight situation on the raw materials market. Unfortunately, we do not see any relaxation and the negotiations with our raw material suppliers resulted in drastic price increases.

The current raw material situation leads to a stainless-steel base price increase between 45% and 55%. Since these materials represent the main components (> 50%) of our products, we are forced to adjust our prices.

Stainless Steel Baseprice Development



Assuming that a large part of these cost increases is primarily a consequence of the Covid-19 pandemic, our list prices will remain unchanged until further notice. We have decided to map the raw material price increase by changing our material surcharge. In consequence it will increase by 10 to 15 percent.

The material surcharge is shown both in our offers and on our order confirmations. Due to the currently long delivery times and the procurement situation, plate heat exchangers ordered today will already be subject to the new basic stainless-steel price. Therefore, we will confirm the new material surcharge for all orders from August 16, 2021.

We assume that the increase in the base price for stainless steel is a temporary phenomenon. Should the base price decrease again, we will take this effect into account.

We hope for your understanding and look forward to being continued good and trusting cooperation.

Ronny Ischganeit
BU PHE President

Daniel Gassmann
EVP Finance PHE