

April 10, 2025

Temporary Tariff Surcharge Strategy Announcement

Dear Valued Customers,

In light of the recent reciprocal tariffs announced by President Trump, Cavagna North America is implementing a temporary surcharge strategy to address the increased costs associated with these tariffs. **Effective April 21, 2025**, a temporary surcharge will be added to each invoice for all items received from our manufacturing plants overseas. The surcharge will be applied based up to the tariff rate at the time of invoicing.

As of April 10, 2025, the current tariff rates are as follows:

- Europe: 10%
- Thailand: 10%
- Japan: 10%
- China: 125%

This surcharge is necessary to offset the additional costs imposed by the tariffs on products imported from our plants. As the situation is very fluid, the surcharge will be adjusted periodically based on variations in the US tariffs program.

We understand the impact this may have on your operations and are committed to providing transparent communication and support during this period. Our team is closely monitoring the situation and will keep you informed of any changes.

Our commitment to minimizing the surcharge impact: We are dedicated to minimizing the impact of this surcharge on our customers. Our team is actively working on strategies to optimize our operations and reduce costs wherever possible, ensuring that the surcharge remains as low as feasible.

Our long-term strategy: We are committed to a long-term strategy that focuses on local service, sustainable growth, and innovation to continue supporting all the gas industries in the United States. Our team has been exploring new opportunities and initiatives to enhance our product offerings and guarantee competitiveness. This includes further investing in R&D, increasing our local supply chain, and fostering strategic partnerships to ensure we remain at the forefront of the industry in North America.

Thank you for your understanding and continued partnership.

Sincerely,

Cavagna North America