



To
our business partners

Bad Oeynhausen, 04.07.2022

Information concerning worldwide impacts

Dear valued business partners,

after the previous period of the corona pandemic had been very challenging for all of us, where a small virus suddenly became the global litmus test for society, economy and politics, spring 2022 with the terrible Russia/Ukraine conflict suddenly destroyed the hoped-for recovery in the global economy and presented new, not foreseen problem areas.

As a component manufacturer for, among other parts, the medical technology, pharmaceutical industry and biotechnology, we are part of the global efforts against Covid19 - on the one hand, we are responsible for helping to maintain medical facilities for immunocompromised patients, and on the other hand we support the active ingredient manufacturers with laboratory analysis devices and assemblies in their research, development and production. Our coupling systems are required in intensive care units in all parts of the world and our hygienic components technology is used in the research and production race for Covid19 drugs and vaccines.

Even if the fight against the corona virus has not yet been won, the populations of the western industrialized countries now have sufficient means and tools to protect the individual. Everyone had been able to learn to use them due to legal regulations in the last two years; now personal responsibility is required, before sterile immunity is somewhere possible. We are currently still facing the immense task of achieving global herd immunity, but the current development still allows us to look to the future with great optimism. Living with Corona in times of the pandemic does not only mean that the virus is potentially constantly present, but also that a certain proportion of the population - and thus also the working population - is constantly ill - but then also constantly recovered and for several months very immune.

However, in addition to the logistically inaccessible, sanctioned countries, we were particularly surprised by the price increases in the raw materials sector, wage increases and the rapid rise in energy costs or the predicted (non-)availability of energy in the first half of 2022. Developments, that were in no way foreseeable and whose inflationary end is in no way forecastable because of the wage-price-spiral. Developments, that affect the infrastructure of economies and can only be solved politically.

As part of our regular, in-house risk assessment of the general situation and the economic environment in which our company finds itself, we have identified a possible scenario for the second half of year 2022, which is characterized by the following factors and premises:

- Cost blocks such as materials, machines, tools, wages and energy will continue to rise.
- Bad Material availabilities will not improve until spring 2023.
- The number of workers available is constantly restricted by corona infections.
- Energy that is not available could lead to failures in the economy - possibly also within supply chains.
- Fear of the future in the population and economy will lead to lower consumption; the price increases, however, do not lead to savings, but to the depletion of reserves.

Nevertheless, to be on the safe side, only a moderate reduction in protective measures is appropriate in our company - even to set a good example for our employees. Since we see ourselves to be responsible for the common good, we are doing everything we can to continue maintaining our company operations in its entire range of services in accordance with the situation, taking into account occupational safety and hygiene rules. In order not to have to impose unnecessary additional Corona protective measures on our employees with a high workload access to our business premises by external parties or third parties (i.e. customers and visitors according to local regulation "CoronaSchVO NRW") in contact with our employees is still absolutely prohibited until further notice for your and our protection. We ask you to continue desisting from direct business visits. We are available as usual by phone, email, screen conference and fax.

We wish you, your families and your company all the best, health, God's blessings and a wise mind to get through this time with optimism, solidarity and tolerance.

Stay healthy and peaceful!

Fritz Althoff GmbH & Co. KG