

Vossloh-Schwabe Deutschland GmbH · Stuttgarter Straße 61/1 · 73614 Schorndorf

To the customers of the Vossloh-Schwabe Group

Price increase for invoices as from 1st of June 2022

May 2022

Dear valued Customer,

the Covid 19 pandemic is still having a significant impact on intercontinental air and sea transport. Major ports such as Shanghai and Ningbo as 1st and 3rd ports worldwide are facing serious difficulties to run smoothly, resulting in reduced container availability and massive cost increases, more than 1000% in the last two years. A significant percentage like 80% of goods used to fly on passage aircraft has been moved to a charter commercial flight mostly owned by Russian companies.

In addition, the war in Ukraine, which is taking longer than expected, is a serious concern for all of us. Despite great efforts by politicians and other organizations, the situation is still exceptionally difficult for everyone. No fly zone on Russia makes flights longer and more expensive (fuel surcharges are as high as flight rates). Due to restrictions, the availability of flights from Asia to Europe is considerably restricted and train and road traffic, which has thus far been more stable, is strongly affected by the war too. The cost increases of fuel are causing a drastic rise in transport and energy costs and at the same time a shortage of existing distribution options.

We have tried to prevent this price increase for as long as possible, however, the recent increase in the price of raw materials, the logistic and energy is now too great for us to absorb, and we regrettably have no choice other than to increase our prices all invoiced dated from June 1st, 2022.

Vossloh-Schwabe remains committed to review on a regular basis the situation and be assured that this will be a temporary measure due to the current circumstances.

We are going through challenging times and appreciate your continued support as for a further good cooperation. If you have questions, please do not hesitate to contact any of our sales team.

Thank you for your understanding.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Joan Presas', written over a series of horizontal lines.

Joan Presas
Global Sales Director