

Dear business partner,

by press releases, as well as your own letter, we have been informed of temporary production suspensions. As a consequence of the corona crisis you invoke the force majeure regulation in the contract.

As your supplier and partner, we adapt to the changed situation and the associated delivery schedules to the best of our ability. Of course, we try our utmost to replenish the corresponding stocks and to reduce backlogs.

WSH is currently not planning to close its plant, nor have we been notified of any bottlenecks, apart from short-time working, at our suppliers and external service providers. As for you the aforementioned regulation of force majeure also applies to us. We will use all means at our disposal to support you in the hopefully soon restart of your production. At the moment we expect to be able to supply your plant as usual when you restart your production.

As you informed us, we as your supplier, are required to keep up the delivery uninterrupted.

This can only succeed if:

- That the raw material supply is unhindered at the beginning of your restart of production. From today's point of view possible. A caveat might be short-time work of suppliers.
- The external service providers do not cause bottlenecks, except for possibly short-time working.
- Our production can ramp up unhindered. This should not be an issue at present, as WSH is well positioned. However, if we have to, we will also apply for short-time work, as a result of the extremely low call-offs and orders of our customers.

The most important thing of all, however, is that your delivery requirements become apparent to us through prompt and timely adjustment of your call-offs. A time delay of currently 1 week until your requirements are updated completely contradicts your demands.

As you can see, you are the decisive factor for us. Please do everything possible to ensure that your call-offs are transmitted early enough to avoid unnecessary costs for which we are not responsible.

Only together we can overcome this crisis. In this sense we wish you to stay healthy!

Best regards

Wilhelm Schumacher GmbH

Dr. Frank Pahl General Manager ppa. Klemens Schulte

Head of Sales



Wilhelm Schumacher GmbH · Am Preist 5 · 57271 Hilchenbach
Dear Business partner,

we are increasingly being contacted concerning the raw material situation at WSH. As you might have noticed, the supply situation on the steel market is extremely tense. With the market collapse in the spring of 2020 in the wake of the Corona crisis, inventories were run down in all segments, and then demand jumped in the fall. Most manufacturers however are unable to ramp up their capacities to a sufficient extent on such short notice.

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As your supplier and long-standing partner, we are doing our best to adapt to the change in operational mode and the associated delivery schedules. Of course, we do our utmost to replenish respective stocks and to reduce existing backlogs.

Unfortunately, we must assume that little will change to the positive in the first half of 2021. Orders for this period are accepted by the manufacturers only to a limited extent, and in some cases only with considerable price increases. Additional quantities are very difficult – if not impossible – to obtain. Suppliers expect prices to continue to rise in the coming months due to the ongoing shortage. We at WSH do not anticipate any bottlenecks in the immediate future as the requirements sent to us have in many cases been scheduled well in advance.

We will use all means at our disposal to support you in your production. However, we cannot exclude the possibility of disruptions in the supply of your company due to a lack of prematerial. Any problems that may arise will be communicated to you in time and in the usual manner.

The most important thing of all, however, is that your delivery requirements become apparent to us by timely adjustments of your call offs and especially beyond the first half of the year. **As you can see, you are one of the decisive factors for us.** Please do everything possible to ensure that your delivery schedules are set with sufficient advance notification in order to avoid unnecessary costs, for which we are not responsible.

We thank you for your support and understanding, because only together we can overcome this crisis.

Kind Regards

Dr. Frank Pahl General Manager ppa. Klemens Schulte

Head of Sales