



US Government Tariff Impact

April 28, 2025

Dear Valued Customer,

We greatly value your business and appreciate your continued trust in Gast. We are writing to inform you of an upcoming surcharge of 14% which will be added to invoices for any product shipping on or after **May 1, 2025**.

This action is directly related to the tariffs the US Government has imposed on imported goods effective April 5 and April 9, 2025. These tariffs include China (125%), Mexico (25%) and all other countries (10%). Gast has begun bearing the cost of these tariffs awaiting potential negotiations to take place that would significantly reduce or eliminate some of these tariffs. These negotiations are moving at a rate where we can no longer bear the costs alone.

We take our customer relationships seriously and we understand the impact this will have on your business. Aside from continuously monitoring the negotiations between countries in anticipation of some relief, Gast has reviewed our spend in China. We are taking action with several suppliers on a variety of components to de-risk our tariff exposure on our higher value items. Gast has a full team assembled with top management sponsorship. Our ask of our customers is to work with Gast as we find alternative suppliers to quickly requalify our proposed solutions. We will get through this only with your support.

My expectation is between the supply chain actions being taken and the negotiations that are sure to come between several countries that our ability to reduce this surcharge over time will happen.

Thank you for your continued loyalty and partnership. We look forward to serving you in the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "Krishna Ranganathan", is positioned above the printed name.

Krishna Ranganathan

President, IDEX Performance Pneumatics