

May 30, 2025

Subject: Tarrieff Surcharge Pricing

Dear Valued DEMA Customer,

While DEMA proudly manufactures our range of chemical dispensing and fluid control products in our Gerald, Missouri, USA manufacturing facilities, we do have exposure to current tariffs being paid on imported component parts that DEMA either directly imports or purchases through domestic based distribution that import globally.

We have patiently waited to see where tariff levels would settle and have now analyzed the cost impact. DEMA has made the necessary decision to increase pricing on most products. The following increases will be made on July 1, 2025, based on the 10% tariff on imports from all countries, the additional 30% tariff on Chinese imports, and the Section 232 steel and aluminum import tariff of 25%:

- 2-3% on chemical dispensing equipment due to imported plastic components and imported brass and stainless-steel components
- 3-4% on electronic dispensing equipment due to imported plastic components, circuit board components and gear motors
- 2-3% on solenoid valves due to imported brass forgings, stainless steel, and electronic coil components

DEMA is committed to adjusting pricing back to pre-tariff levels in the event of changes. We thank you in advance for your understanding as we navigate the current global business environment.

Thank you,

DEMA Engineering Company