

ROFSON

June 12, 2025

Re: July Price Increase

Valued Customers:

About 3 weeks ago, we made the decision to hold our May pricing (reflecting 20% tariffs) after the US announced and rolled back the China tariffs from 20% to 145% then back to 30% in the span of 13 days. This week there seems to be progress made toward a long trade & tariff framework between China and the US, but as of today there's been no formal announcement of anything specific, just broad speculation.

To account for the current tariff structure of 30% on all goods from China, we must raise our prices effective July 1, 2025. I can assure you that I am just as tired of having to recalculate and analyze pricing as you are of receiving them. The good news is that we have implemented production on some products in more tariff-friendly countries to strengthen our supply chain while finding ways to insulate you from additional tariff-related cost increases.

This week, the US and China delegations held meaningful negotiations on future trade and tariffs. A tentative structure was apparently reached. It was

announced that tariffs on goods imported from China will be set at 55%, which is calculated accordingly:

- 10% reciprocal baseline tariffs
- 20% “fentanyl” tariffs
- 25% Section 301 tariffs

What we are unsure of still is whether the Section 301 tariffs will be administered universally or will be more targeted as they were when introduced in 2017. Once the tariffs are firmed up and fully structured, we will have to make an additional pricing revision to incorporate tariffs.

As you know, Rofson is currently producing some items in Vietnam, Malaysia and (soon to be in) Cambodia. As such, we will be able to offer you some options on product and pricing once everything is resolved. At a 30% tariff, most products from China are still less expensive than those produced elsewhere. If the 55% number is where things end up, at that point there may be some less costly non-China options.

As we continue to diversify our manufacturing footprint, you will see your prices stabilize and be less impacted by sudden tariff changes. Please click the button below to retrieve your PDF price list.

We sincerely appreciate your support and your understanding as all of us work to stabilize prices and supply. If you have any further questions, please feel free to contact your Rofson representative.

Sincerely,

J. Stephen Dersch

President

Steve



Rofson, 11902 Windfern Rd., Suite 100, Houston, TX 77064, 713-975-0700