

CEO STATEMENT REGARDING COVID-19

UPDATE ON GRAPHIT KROPFMUEHL'S GLOBAL OPERATIONS

STAND: 28th October 2020

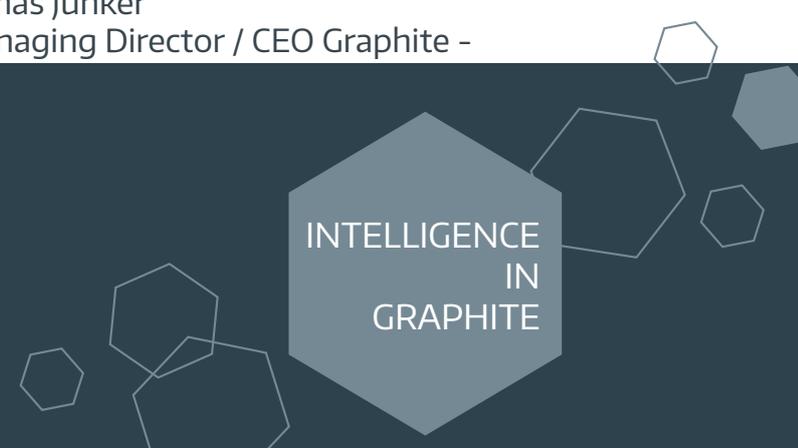
Dear valued Customers and Business Partners,

We are highly committed to the safety of our employees, suppliers and customers. Due to the further spreading of the Corona virus, we would like to keep you updated on the status of our operations.

- Raw material availability within GK continues to be stable. Our operation in Mozambique is still subject to the nationwide corona-based restrictions which still allow us to produce on a reasonable scale. Due to the recent opening of the border between South Africa and Mozambique, especially the provision of raw materials and supplies has become much easier. We send larger quantities of graphite from our mine in Anacuabe to our plants in Germany and China to be refined there.
- The situation within the country is still tense. Most of the now 81 victims of the pandemic lived in the capital Maputo, more than 2,000 km away from our mine.
- As we still hold large quantities of graphite in Europe and Africa in stock, no shortage is expected. The situation in Sri Lanka is also stabilizing. Our mine is in operation, but is running at reduced capacity in order to meet the weak demand. Logistic problems are solved by storing sufficient material in Germany. In Sri Lanka there are now 16 victims attributable to the pandemic. Our company is still without a positively tested employee.
- Measurements to reduce the risk of our people remain in place at all sites globally. As people now work in shifts and some from home, you might experience a slight delay in response. Please be assured that we will take care of your matter and come back to you as soon as possible.
- We hope for your understanding as this is to keep everyone safe. In case of questions you can reach us under our regular contact details globally.

Stay healthy and safe,

Thomas Junker
- Managing Director / CEO Graphite -



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