



Malmö, November 23, 2018

Dear Business Partner,

We refer to your letter regarding Perstorp's preparations for United Kingdom's anticipated exit from the European Union on 29 March 2019. Please be informed that Perstorp together with its affiliates are carefully following the development within this area. Considering there is a risk for what is called a "Hard Brexit", Perstorp has appointed internal working groups within different functions of the organisation, in order to assess the potential consequences of such a scenario and what appropriate actions need to be taken in order to secure the business going forward. Initially we have identified two essential areas; regulation and continued trade.

For REACH, Perstorp UK Ltd has started the process of appointing what in REACH is called an "Only Representative" within the EEA. This will ensure continued REACH registration of products and also our ability to maintain product compliance within the EU.

Another possible impact of a Hard Brexit would be a delay in customs clearance at ports and borders, interrupting the transport of goods – both in and out of the UK. Perstorp is committed to working with suppliers and its transportation partners to mitigate any delay in production and delivery of finished goods. The working group of Perstorp UK Ltd has concluded that one of the ways of achieving this will be to arrange additional storage of finished product in strategic locations. However, please be aware that there is a practical limit to this and Perstorp cannot guarantee supplies in any event. Should you consider the need to build safety stock yourselves in advance in order to mitigate that risk then please get in touch with us and we will support you in that.

For further information and updates, please visit our website [www.perstorp.com\BREXIT](http://www.perstorp.com\BREXIT)

Sincerely,

Perstorp AB

A blue ink handwritten signature, appearing to be 'Bo Häggman', written over a horizontal line.

**Bo Häggman**

Vice President Sales