



WITTENBURG

G R O U P

Zeewolde, 5 November 2018

To our Customers in EU countries

Subject: Impact of Brexit on supply in the EU

Dear Customer,

The United Kingdom is due to leave the EU on March 29th 2019. In case no withdrawal agreement can be negotiated there will be no contract regulating the trade relationship between the UK and EU. As a consequence, custom controls at the border between the UK and EU will be installed, which most probably will slow down the import/export process and most probably will increase costs. Even if a trade agreement is negotiated this could change the current trade relationship and lead to similar effects.

The Wittenburg Group will undertake maximal effort to manage the impact of Brexit. With respect to raw materials purchased in the UK we will discuss with the suppliers if they can implement 3 months inventory in the EU to prevent supply issues during the second quarter of 2019. If this is not the case we may decide to build up 3 months stock within the Wittenburg Group.

However, it should be clear that our effort may not be able to prevent every supply issue and may have a costs impact which can be transferred to our customers. It is also not unlikely that we may need to adjust our pricing after March 2019 due to higher import cost and/or import tariffs.

If you have question you can contact your account manager.

Yours sincerely,

Alberto Dozeman,
M&S Director Wittenburg Group
ad@wittenburgbv.nl