

5<sup>th</sup> April 2013

Dear Colleague,

Since NKC Europe Ltd was founded 15 years ago we have built up a strong UK based, speciality distribution business, focussed mainly on the personal care industry, in addition to international lanolin and derivatives sales. Part of that international effort led to the formation of NKC USA in 2009 to further develop the North American business.

During recent years we have experienced rapid growth in both markets. This success however, brings new challenges for the future. To continue to strengthen our operation and extend our activities we have been considering a strategic partnership. Today we believe we have that partnership and I am therefore delighted to announce that the Barentz Group has taken an equity stake in both NKC Europe Ltd and our sister company, NKC USA, Inc.

Barentz is an international provider of innovative & standard ingredients and materials for human & animal nutrition, pharmaceutical, personal care and chemical industries. Established in 1953 by Herman Barentz, the privately owned Barentz Company today employs almost 600 people, serving some 15,000 customers in more than 60 countries around the world and generating sales in 2012 of 850 million Euro's. Barentz' headquarters are based in Hoofddorp, close to Amsterdam in The Netherlands.

Integration of NKC Europe into the Barentz Group will improve the availability of NKC products across Europe. The partnership with Barentz will also bring additional materials to the NKC portfolio. Both NKC operations in Europe and USA will benefit from the sourcing, logistics, marketing, technical and financial resources of Barentz across the globe, ensuring a successful continuation of our business.

Hidde van der Wal, CEO of the Barentz Group, is enthusiastic about this new partnership. "It creates tremendous opportunities for NK Chemicals and for Barentz. We bring NKC a solid customer support and distribution network throughout Europe and South East Asia and NKC gives Barentz a direct entry into the USA. I can already see new projects flourishing and our customers will benefit from the synergy this partnership will create across different continents."

Your current contacts with us will remain the same and I will continue in my position as Managing Director of NKC Europe whilst Joe Jendzio remains as President of NKC USA. We both look forward to working with our new colleagues in the Barentz Group and being able to develop the strong synergies between our companies.

Yours sincerely



Ian Johnson  
Managing Director  
NK Chemicals Europe Ltd