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Tariff Update

In the past few weeks, the escalating global trade conflict has seen numerous countries issue both tariffs and plans to impose tariffs. Kalsec imports raw materials from over 40 countries and exports products to over 70 countries. We continually review the applicability of tariffs on both our raw material supply and our products.

On May 18, 2018, the European Union communicated that it would be imposing tariffs on certain products originating from the United States, some of which included functional food and beverage ingredients (e.g. extracts, oleoresins, etc.). While some of the EU tariffs will be imposed in June of 2018, the tariffs which could apply to Kalsec products are not in force until the earlier of either (1) March 23, 2021 or (2) within 5 days following a determination by the WTO that the United States has violated applicable provisions of the WTO Agreement through the United States' own recently imposed tariffs.

Thus, for the time being we do not anticipate any new tariffs on Kalsec products imported into Europe. We will continue to track this situation and communicate any significant changes as they occur, and we remain committed to being the most reliable supplier of the highest quality natural food ingredients and hop products to our customers.