



April 14th, 2020

Coronavirus Update

This update marks the 12th week of the COVID 19 business implications. We truly appreciate your understanding and willingness to work with us during these ever changing and challenging times. We have not yet cleared all the obstacles ahead of us, but we are making good progress and are blessed with the health and safety of our associates across the globe. Below you will find updates on the status of our global manufacturing footprint as well as actions that are being taken to return to traditional Samtec Service levels.

Manufacturing Locations:

- ***US Manufacturing Locations*** – Operational and working under requirements set forth by the US Defense Industrial Base as an essential Critical Infrastructure Sector provider.
- ***Central America Locations*** – Operational under no current local government restrictions
- ***Asia Manufacturing Locations***
 - China sites – 100% output recovery
 - Malaysia (4) sites – Under Malaysia Control Movement Order which has once again been extended, now to 4/28/2020. ***Samtec has secured waivers for 30%, up from 10%, of our associates to return to work at two of our sites which has been a significant improvement for our total output.*** Applications have been submitted to increase those waivers for all four sites and we expect to receive responses from the Malaysia government this week. ***Restrictions were previously in place that only allowed us to build Medical or local Malaysia orders, those restrictions have been lifted.***
 - Vietnam – Operational under no current local government restrictions

Current Global Capacity: ***Samtec's current output is now roughly 70%, up from 60% as of the previous update.*** Limitations are still primarily driven by but not limited to, the Malaysia Control Movement Order. Samtec has developed a comprehensive capacity recovery plan that will most

effectively allow us to return to our traditional lead times as governments are able to remove restrictions. Below are additional actions being taken to increase our global capacity.

- 1. Replacing lost capacity at our Malaysia sites through steep hiring at our US, Costa Rica, China and Vietnam locations.***
- 2. Distributing 30% of the current work from Malaysia to our other sites as hiring additions get into position.***
- 3. Accelerating the planned release of High Speed Automation machines to further increase output.***

We expect to start seeing the effects of the above actions within the next four weeks. Additional waivers for our Malaysia sites will further increase our output.

We will continue to evaluate this developing situation and we will advise you of any anticipated changes to our approach. As always, we greatly appreciate your business.

Sincerely,

Scott Lamb
Director of Global Sales Operations
Samtec, Inc.