June 18th, 2020

Coronavirus Update and Service Recovery Progress

Status Update:

- All Samtec Manufacturing Facilities are 100% Operational and all but two cites have reached target capacity levels
- We have officially transitioned to Phase II of our recovery, matching capacity with demand
- Daily output continues to increase at all sites
  - Samtec is now slightly ahead of our Service Recovery Plan illustrated below
- New Order Bookings levels have stabilized
- We have reduced standard lead times by 5 days on specific series such as standard HDR Cable, Precision RF products and many of High Speed Board to Board products. We will continue to monitor our output and adjust accordingly.

Progress Metrics:

Current Past Due Orders = 759
Current Past Due Hours = 12,414
Current Past Due $'s = $1.765 million
As a reminder, we arrived at this current situation due to a Global Pandemic that impacted Samtec’s manufacturing output for 14.5 weeks at the same time when business levels spiked by as much as 40%.

Setting the stage...

Please note that we have completed Past Due Backlog catch-up portion of our recovery plan. We have “some” expedite flexibility for critical needs but we don’t expect to be back to “normal expedite flexibility” until August due to the continued gap between bookings and output/shipments.
Samtec has increased production staff by 550 associates and we are in the process of adding 200 more associates. We believe that these hiring additions will align our capacity to demand and again, that alignment will likely occur in August. Once we have capacity aligned with demand we will regain expedite flexibility and will work to reduce new order lead times.

We appreciate your patience and loyalty as we work through these unprecedented challenges.

Sincerely,

Scott Lamb
Director of Global Sales Operations
Samtec, Inc.