

Abracon, LLC Updated COVID-19 Response

April 3, 2020

Dear Valued Customers and Channel Partners,

The Abracon, LLC family of brands (Abracon, Ecliptek, ILSI, MMD and Oscilent) wants to update you regarding our response to the current [2019 novel coronavirus \(COVID-19\)](#) global pandemic. The health and safety of our personnel and partners remains our primary concern as we continue working diligently to deliver uninterrupted service.

We are happy to report that every one of our global Abracon employees has been fortunate to remain free of the virus.

Our team is following all government recommendations and regulations designed to protect public health and worker safety. We have suspended all domestic and international travel across our global operation. In addition, our global customer-facing resources are not conducting face-to-face meetings.

The North American and European teams have transitioned to a virtual work-from-home (WFH) workplace and continue assisting our customers without disruption. These social distancing measures allow our essential warehouse workers in Hong Kong, Texas and Nevada to safely and confidently continue critical operations as normal. Our Programming Center in Nevada similarly remains operational.

Our Shenzhen team has returned to normal operation, and the Service Center is fully staffed.

Abracon can confirm every China-based factory across all five brands continue to increase production as they approach normal working capacity. However, lead times have expanded as the factories work through the backlog that grew as a result of the February closures, the reduced workforce in March and the limited availability of raw materials.

The Abracon family's factories outside China have been operating at full capacity since early February but are also experiencing increased lead times due to heightened demand. Individual countries throughout Asia are restricting import and export shipments until late April. However, associated delays affect less than one percent of Abracon's products.

In addition, international cargo carriers recently began reporting delays due to demand overload and changing travel restrictions. Our team is proactively responding to minimize potential supply chain impacts, and Abracon has extensive production pipelines in place.

Abracon has experienced a recent spike in business activity and an increased need to support urgent critical equipment production. The health and welfare of our global

society is our highest priority, and our components play a critical role in life-saving technologies. Abracon is committed to prioritizing the requirements of our medical equipment customers and their designated EMS partners.

Due to the excellent support Abracon receives from its world-class channel partners, the company is well-stocked with global inventory to satisfy customers' production needs and to address any supply chain shortages. Abracon's distributors have positioned the largest available-to-sell inventory of Timing & Synchronization products across all five brands (Abracon, Ecliptek, ILSI, MMD and Oscilent) in the industry.

Abracon's distribution network has also invested in extensive inventories of Abracon's other product groups, Power & Energy (e.g., inductors and wireless charging coils) and RF & Connectivity (e.g., antennas and RJ45 jacks).

The Abracon family's entire technical staff is available to assist with your design needs and challenges. The team can assist in helping you expedite time to market and find alternate solutions when facing supply chain challenges.

The Abracon team is actively monitoring the dynamic situation and will continue providing necessary updates. We remain optimistic that our strong partnerships will continue resulting in mutual success, customer satisfaction and critical industry support.

Should you need further assistance, please contact your local Abracon sales leader or manufacturer's representative.

Thank you for your patience and understanding as we work through this challenging time together.

Michael Calabria
CEO and President
Abracon, LLC