

March 25, 2020

FOR IMMEDIATE RELEASE
PLASTIFLEX PRODUCTION AND SHIPPING UPDATE (COVID-19)

Dear Valued Plastiflex Customer,

This letter is to update Plastiflex customers on the current state of product production and shipping for all Plastiflex products. Please note the following:

As of the date of this letter, production at Plastiflex's Tijuana, Mexico facility is operating as normal. Shipping from Plastiflex Mexico logistics partner is also operating as normal. However, slight shipping delays may be realized due to a higher than normal shipping volume at this location. Please note these potential slight delays are outside of Plastiflex's control.

For Plastiflex North Carolina, please note that last Thursday evening Plastiflex's 3PL provider initiated a precautionary measure which suspended shipping operations on Friday. As of this letter, **there is no current indication of Covid-19 within the facility**. However, per our 3PL provider's protocol, operations remain suspended pending an internal review by their management team to ensure a safe work environment.

While Plastiflex North Carolina continues to manufacture product at normal rates, we presently find our pre-produced inventories held at our 3PL provider unavailable to ship. Therefore, Plastiflex North Carolina is temporarily transitioning to direct shipments from our plant and a local off-site warehouse. However, as a significant volume of product which has already been produced and stored is currently not available to Plastiflex North Carolina, we will be required to reproduce these volumes and ship from the plant or the temporary warehouse location. As we begin reproducing these inventories and orders, it should be expected that you may incur receiving delays of anywhere between 3 to 10 business days. Furthermore, as Plastiflex North Carolina needs to reproduce and ship product as rapidly as possible but with limited personnel resources to do so, in most cases we will be asking customers to take **full pallet quantities only** where applicable. In the event this is not possible, we will work with you to find a solution. This is a temporary but necessary step to ensure we can produce and ship volumes as quickly and efficiently as possible.

We trust that your organization appreciates the steps we are taking to minimize supply disruption to the best of our ability based upon current conditions. We anticipate this being a very short-term situation, however, the situation is fluid. Therefore, we ask for your understanding and support during this brief period of time.

As always, should you have any questions or require additional information regarding this announcement, please feel free to contact me per below.

Regards,



Mark Monper, Vice President of Sales
Plastiflex
(610) 659-3812 / mark.monper@plastiflex.com