

June 1, 2022

OFFICIAL NOTICE: Micropac Industries, Inc. Manufacturing Facility and Corporate Offices are moving to 1655 Highway 66, Garland, Texas 75040

Dear Valued Customer,

We are pleased to inform you that Micropac is relocating its Headquarters and Manufacturing Operations to a new, larger, upgraded facility in Garland, Texas. The new facility is located approximately one mile from our current location. We are making the move to achieve the needed capacity to better serve our valued customers.

This letter provides advanced notification of Micropac's intent to relocate the manufacturing facility to ensure business operations between our companies remain uninterrupted. Please distribute this information to all relative departments within your company including Accounting, Quality Assurance, Purchasing, Engineering, Shipping, etc.

The move will be made in multiple phases to ensure continuous operations and manufacturing flow. The initial phase is currently scheduled to commence on August 15, 2022, with subsequent phases timed to ensure a smooth transition.

Phase 1: Trigger event will be the release of the new facility Certificate of Occupancy. All efforts will be focused on obtaining Lab Suitability Certifications to MIL-STD-750 and MIL-STD-883, MIL-PRF-19500 QPL Product Qualifications, and MIL-PRF-38534 Process Qualifications. Micropac is coordinating with the Defense Logistics Agency (DLA) to ensure these certifications can be received on a timely basis.

Phase 2: Included in Phase 2 are non-QML standard products and products built to customer source control drawings. There will be some overlap between Phase 1 and Phase 2, based on internal equipment qualification schedules and individual customer change control requirements.

Phase 3: All remaining products.

To ensure product quality, lead times, and scheduled shipments are maintained, Micropac risk mitigation includes:

1. No changes will be made to production equipment, production test equipment, key personnel, manufacturing operations and processes, quality control, or inspection procedures.
2. Equipment moved will be validated with methodologies including (IQ) Installation Qualification, (OQ) Operational Qualification, and (PQ) Performance Qualification. These methodologies offer a high degree of quality assurance.
3. When equipment set duplication is available, Micropac will run simultaneous production lines at the current location and the new facility site, until the new site has been released for production.
4. If possible, buffer inventory will be produced at the current location.

5. All Micropac personnel have high awareness of the importance of the move, and are contributing to its success. This includes Management, front line supervisors, and production personnel.

Micropac's email addresses and main phone number will remain unchanged. Our new mailing address will be the same as the new physical address:

Micropac Industries, Inc., 1655 Highway 66, Garland, Texas 75040

Due to the inherently unpredictable nature of building construction and sequencing of equipment, process, and product qualifications, the move scheduling may adjust accordingly. We will keep in contact with you to let you know the exact move dates, and to let you know when all correspondence, PO's, and shipments are to be directed to our new location.

Quality Management System and Regulatory Approvals: This move only involves the physical location of the facility. All existing MIL-PRF-19500, MIL-PRF-38534, AS9100, and ISO 9001 Quality Management System Processes currently approved and registered, as well as all other Manufacturing, Inspection, Test Processes, fixtures, tooling, test sets, etc. will be relocated to the new facility, intact and without change. The processes at the new facility will be validated to ensure that they continue to yield fully compliant products. We have coordinated this move with the Defense Logistics Agency (DLA) and Micropac's AS9100 Registrar to ensure that our processes and systems will remain compliant to MIL-PRF-19500, MIL-PRF-38534, and approved to AS9100 / ISO 9001 after the relocation.

Continued Approval by Your Company After the Move: After the move, Micropac's Quality Department welcomes all customers to visit our new facility to perform a Quality audit to ensure that Micropac remains an approved supplier for your company. Please contact the Micropac Quality Department now to let us know if your company requires a new on-site audit, so we may make arrangements with you in advance.

Ken Hall, VP Quality - email: kenhall@micropac.com

We sincerely appreciate your ongoing business. Thank you in advance for your cooperation and support.



Mark W. King
President, CEO and Chairman of the Board
Micropac Industries, Inc.

Micropac Industries, Inc. Corporate Relocation

Frequently Asked Questions

1. Why is Micropac moving?

- a. Micropac has been serving Mil-Aero, space, medical, and industrial markets from its current location for more than 50 years. As a result of the growing demand for our products, we have designed and constructed a new, modern, state-of-the-art manufacturing and corporate facility to better serve our employees, customers, and key stakeholders.

2. Where is Micropac moving?

- a. Micropac is moving approximately one mile from our current location at 905 E. Walnut, Garland, Texas 75040.

3. When will Micropac move to the new location?

- a. Micropac has adopted a multi-phase move plan to ensure uninterrupted supply and minimize delivery risk:
 - i. Phase 1 - August 15, 2022: To include Certificate of Occupancy; Lab Suitability Certifications to MIL-STD-750 and MIL-STD-883; MIL-PRF-19500 QPL Product Qualifications; and MIL-PRF-38534 Process Qualifications.
 - ii. Phase 2: To include non-QML standard products and products built to customer source control drawings.
 - iii. Phase 3: To include all remaining products.

4. How will the factory relocation affect new orders and current backlog?

- a. Micropac is working to minimize lead time impact by . . .
 - i. Establishing qualified processes in the new factory prior to shut down of the existing manufacturing line.
 - ii. Where concurrent manufacturing cannot be accommodated due to equipment restrictions, product will be built ahead and inventoried to ensure best on-time delivery performance.
 - iii. Micropac utilizes our DLA-certified Mexico facility to establish backup qualified capacity.

5. Where do I find information about Micropac's move?

- a. www.micropac.com/company/move is the place to find out more on the factory relocation and timing of the move.
- b. Contact your local Micropac Sales Representative for more details.

6. How do I find out the status and plans for existing or new orders my company has with Micropac?

- a. Contact your local Micropac Sales Representative.
- b. Contact Micropac directly: Ken Hall, VP Quality - email: kenhall@micropac.com.