

May 31st, 2021

Announcement of the limited operation at Yokowo Malaysia factory due to the declaration of total nationwide lockdown to stop COVID-19 surge by Malaysian government

Malaysia government declared on May 29, 2021 that Malaysia will enter into a nationwide lockdown for two weeks from June 1st to halt rising COVID-19 infections in the country and we YOKOWO CO., LTD. regret to inform you of the limited operation at our Malaysian Factory, YOKOWO ELECTRONICS (M) SDN. BHD. (hereinafter referred as YEM) and prospect of recovery in production.

Malaysia already had been under official state of emergency since this January 2021 after 5,700 COVID-19 cases found in a day, but the new cases have declined down to less than 1,000 per day as of the end of March by the 2nd Moving Control Order (MCO2.0). However, after the Hari Raya Holidays in the mid of May, the new cases increased and hit the record high as 8,290 cases on May 29 and government decided to re-enter into a lockdown for two weeks from June 1.

All areas of economic and social activity will be shut down for two weeks, apart from a few essential services and sectors of which permitted listing will be announced afterwards by National Security Council (NSC) according to a statement.

If new COVID-19 cases decline during the initial phase, the lockdown could be eased after 14 days to second (4weeks) and then third phases of controlled movement which allows for almost all economic sectors activities subject to the strict Standard Operating Procedures (SOP) compliance and revert to the current Moving Control Order (MCO).

The transition of the next phase will be determined by the Ministry of Health's risk assessment based on the number of newly infected cases and the ability of the national health care system to respond.



YEM has been recognized as a company belonging to the essential economic sector and has obtained a special operation permit even in the complete lockdown policy of the Malaysian government from March to April last year.

According to the statement by the Malaysian Ministry of International Trade and Industry (MITI) at Midnight on May 31 in Japan time, YEM was not subject to full lockdown but was subject to a special operation permit with the 60% work force. However, even after the operation is officially approved by the Malaysian government, we will inform you about the details when further restriction is reported.

Currently, YEM manufactures Vehicle Antennas, Semiconductor testing probes/sockets and Connectors for mobile devices, but we have sufficient inventory on Vehicle antennas, and it is expected that the large impact on customers can be avoided.

Regarding the semiconductors testing probes/sockets and Connectors for mobile devices, we are working to minimize the impact on our customers using another manufacturing base in Japan.

Regarding semiconductor testing probes/sockets, the production capacity in Japan has increased from 500,000 to 2.5 million pins due to measures for BCP against the COVID-19 last year.

We sincerely apologize for any inconvenience this may cause and thank you for your understanding.

End of Letter