

Re: Supply Impact Due to Russia / Ukraine Conflict

March 1, 2022

Hello -

Although we do not directly source in Russia or Ukraine, our Risk Analysis has identified two 'watch areas'. This applies to all laser products / part numbers:

- 1. We rely on ultra-pure Helium and Neon gasses and very specific isotopes of such. These gasses originate in Eastern Europe, sourced via US Distributors. Our normal risk-mitigation for this item targets an 18-month supply, on-hand at all times. Based on escalating tensions last week, we ordered an additional 12-month supply, availability of which has been confirmed, and expected delivery is end March. We therefore believe this to be a low-risk item at least through 2022, and well into 2023.
- 2. We use Aluminum for laser cathodes and housings. Although our supply chain does not source from Russia or Ukraine, we are monitoring the situation closely to determine whether any resultant shortages may occur due to global supply and demand.

We have no other known risks currently, though we continue to monitor the situation closely.

Sincerely,

Lynn Strickland President & CEO Pacific Lasertec, LLC

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