



March 16, 2020

Dear Valued Customer,

As with all individuals and companies we are closely monitoring and navigating the rapidly changing economic climate as it relates to the global efforts to contain COVID-19. Being transparent with our ability to continue to supply product to our distribution network, we would like to share the following information.

ON-SHORE manufactured melamine/plastic/steel core products: Currently we have no delays or interruptions in any of our raw material supply chains or manufacturing operations at our factory in Baja California, Mexico. Our factory continues to operate at near full capacity accounting for approximately 95% of our product offering.

IMPORTED GOODS limited melamine items from China: After back-to-back factory shutdowns due to Lunar New Year and COVID-19 our subcontractor in China is fully operation at this time. However, we do expect extended delays due to backlog at the factory and a shortage of container ships departing China. In February many planned container ship sailings were canceled due to lack of product. Now there is an influx of product at departing ports and a wait time for containers to board ships. This delay will impact a very small percentage of Delfin items specifically marble patterned melamine and custom production run items.

IMPORTED GOODS bamboo: Prior to Lunar New Year Delfin stocked up on all bamboo items and we currently have an adequate amount of inventory. We are planning on backing up current inventory levels but do anticipate possible delays in the latter part of Q2 again due to the departing container shortage.

We appreciate your patience during these difficult times and wish good health to your company, its employees and families. Please do not hesitate to contact us with questions.

Sincerely,

John M. Rief
President

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