

March 2022

Notification: Updating Pricelists, Quotes, and Extended Lead Times

Dear Valued Customer,

The global components industry has suffered from allocation shortages for more than a year. It started in 2020 with the pandemic, continued with the surge in demand throughout 2021, and did not expect to improve in 2022. And now we are facing additional uncertainties that affect our environment dramatically.

The global economic situation, especially with the inflation rate in the US, is dramatically increasing operational costs. In addition, the uncertainty arising from the geopolitical environment and conflict between Russia and Ukraine is increasing the uncertainty mostly with raw materials.

Every week we receive notifications from our leading suppliers such as Lattice, Marvell, Micron, NVIDIA, Texas Instruments, and others informing us of significant price increases along with increasing lead times. These suppliers are willing to commit to component prices only before delivery. As a result, lead time for components of 50-70 weeks is common.

We are not expecting the global supply constraint to be resolved in 2022. However, given the continuous global business environment, Aitech will update pricelists once a quarter or more frequently and provide price quotes for no longer than 30 days. In addition, due to lack of predictability in component lead time, Aitech will only commit to a product delivery time once components for the products have been ordered and we receive a committed lead time from the component supplier.

We recognize that continuity of supply is most important. Therefore, with your help and partnership, we plan to minimize the impact. We ask you to review your demand and forecast for 2022 and 2023 and contact your Business Development counterpart at Aitech to discuss options to mitigate risk.

We look forward to working with you to support your rugged systems requirements.

Best Regards

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