

PRESS RELEASE

Neways provides update on impact COVID-19 and AGM

Son (The Netherlands), 30 March 2020 – The management of Neways Electronics International N.V. (Neways) has taken various measures to limit the risks to the health of its employees and their relatives, as well as its clients and suppliers. In addition, Neways has taken measures to safeguard business continuity in the coming period as good as possible.

Neways has set up two corporate taskforces to monitor the risks associated with COVID-19 as closely as possible and proactively anticipates on these risks. The Neways General Taskforce meets on a daily basis to discuss the current situation at all operating companies and coordinate the measures. This taskforce ensures that the entire group complies strictly with political decisions and recommendations and that production continues within the set parameters. The Demand & Supply Taskforce coordinates communication with clients and suppliers and ensures that any delays in the supply chain are identified early, so Neways can continue to provide its clients with an optimum level of service even in these extreme circumstances.

All Neways operating companies in the Netherlands, Germany, the Czech Republic, Slovakia and China remain operational at this time, in line with health and safety restrictions set by the authorities. Currently Neways is still able to serve its client effectively. Neways expects a greater impact on the operations in the second quarter as a result of delays in the supply of components and the temporary closure of its clients' production facilities, especially in the automotive sector. In addition, the borders of some of the countries where our suppliers are located have been temporarily closed and it is unclear when these borders might reopen or whether further restrictions will be imposed.

In addition to measures to limit health risks, Neways is also taking measures that are primarily aimed at safeguarding the continuity of its operations in the coming period. These include:

- Limiting operating expenses;
- Using government funds and subsidies for the temporary reduction of working hours;
- Maximum reduction of the investment programme;
- Intensifying contacts with clients to prepare the supply chain as much as possible and respond as effectively as possible to disruptions in the chain;
- More stringent monitoring of working capital and in particular receivables and inventories.

Although Neways' financial position is sound, with healthy solvency and good access to credit lines, there is insufficient clarity at this time about how long the current situation may last and what the potential impact may be for our clients. To safeguard its healthy financial position Neways is focusing on cash management and maximising its available cash in the coming period. In this context, Neways decided that in addition to the aforementioned measures, it will withdraw its dividend proposal of € 0.28 per share for 2019 as a precautionary measure.

Eric Stodel, CEO: "In these unique circumstances, the health of our employees and their relatives is our top priority, in addition to maximising the continuation of our global operations. I am extremely proud of the flexibility and resilience of our employees, who are doing their utmost to minimise the impact for our clients. In this period, we rely even more on cooperation and mutual understanding between all the parties involved. We are therefore cooperating even more closely with our suppliers and clients to limit the impact for everyone active in the chain."

In view of the current uncertain situation, Neways is unable to estimate the impact of the COVID-19 outbreak on its turnover and result for 2020.



Update Annual General Meeting of Shareholders

We have moved the physical location for this year's AGM from the Evoluon to the Neways' head office. In light of the withdrawal of the dividend proposal, item 6.3 will be removed from the AGM agenda. In view of the health risks to everyone involved in the AGM, Neways explicitly requests shareholders to attend the General Meeting of Shareholders on 16 April 2020 via a live webcast. A link to the webcast will be made available on Neways' corporate website in due course. Additional information on voting and the submission of questions on the various items on the agenda will also be available via the corporate website.

Neways is closely monitoring developments and the instructions from the government and Dutch public health institute (RIVM) and considers the possibility that the number of shareholders physically present at the meeting will be limited or that the meeting will be postponed after all. Neways requests that shareholders regularly check the AGM section of the corporate website for further updates.

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ABOUT NEWAYS

Neways Electronics International N.V. (Neways) is an international company active in the EMS (Electronic Manufacturing Services) market. Neways offers its clients custom-made solutions for the complete product life cycle (from product development to after-sales service) of both electronic components and complete (box-built) electronic control systems. Neways operates in a niche of the EMS market and focuses primarily on small to medium-sized specialist series, in which quality, flexibility and time-to-market play a crucial role. Neways products are used in sectors such as the semiconductor, medical, automotive and general industry. Neways has operating companies in the Netherlands, Germany, the Czech Republic, Slovakia and China, and the United States with a total of 2,808 employees at 31 December 2019. Neways recorded net turnover of € 533.4 million in 2019. Neways shares are listed on the Euronext Amsterdam stock exchange (symbol: NEWAY).

www.newayselectronics.com

FOR MORE INFORMATION

Eric Stodel (CEO) / Paul de Koning (CFO)
Tel: + 31 (0)40 – 267 9205

Neways Electronics International N.V.
Postbus 69, 5690 AB SON
www.newayselectronics.com

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