

20 June 2025

*Re: Notice of Facility Closure
Discontinuance of Custom Procedure Trays*

Dear Customer:

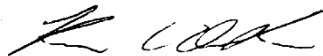
I am writing to inform you that DeRoyal will reduce all significant operations at its custom procedure tray (CPT) manufacturing facility in LaFollette, Tennessee, by September 30, 2025. Any remaining operations, including limited CPT manufacturing and all sterilization of DeRoyal-manufactured CPTs, will cease by December 31, 2025. This action effectively results in the global discontinuance of CPTs by DeRoyal.

This decision was not made lightly. DeRoyal has proudly provided both U.S. and international healthcare markets with CPTs for almost 40 years. However, a series of challenges—including supply chain disruptions and labor shortages stemming from the COVID-19 pandemic, ongoing staffing difficulties at the facility, and the imposition of new tariffs on key CPT components—have made it unsustainable to continue operations under current market conditions.

We understand that this change may cause short-term disruption, and the company is committed to supporting its CPT customers through this transition. To assist in the process, DeRoyal will provide CPT bills of material to customers to facilitate the transfer of business to another tray manufacturer. If there are additional ways DeRoyal can support you during this time, please do not hesitate to reach out.

We sincerely appreciate your CPT business over the years. If you have any questions or concerns, please contact Kristen Rogers, Sr. Director - Sales Operations and Distributor Relations, at kr Rogers@deroyal.com. We look forward to continuing our relationship with you through our other product offerings.

Sincerely



Brian C. DeBusk
President & CEO