



April 3rd, 2020

Dear Valued Customers, Suppliers, and Employees

As the COVID-19 crisis continues to affect our daily lives and business activities, we continue to focus our efforts and actions on our three imperatives. Those are, focus on the safety of our employees, serve the needs of our customers and suppliers, and safeguard the company. As this situation is fluid and rapidly changing, we've made the decision to move to critical activity only in support of our three imperatives.

Today we announce the difficult decision to lay off employees in all departments on a temporary basis during our current defined "containment and recovery period". This decision is completely COVID-19 related. Our Quebec and Seattle operations have previously been shut down, with employee layoffs, due to not being declared essential service in those regions. All employees affected by layoff will continue to have their benefits funded.

This decision is driven by our current declining revenue, and the forward forecasted revenue. The revenue reality has put pressure on cashflow and requires us to reduce expenses, both fixed and variable in all areas of our company. These temporary measures will ensure that we safeguard our employees in the short and long term, as we navigate through this and meet our desired intent to return all to full employment as soon as the recovery allows. We will over this time ensure our customer needs are met, and our company remains the financially stable entity it has been over our long history starting in 1938.

It is important to know that we have a supportive group of investors, suppliers, customers, and bank who have all contributed in support of our ongoing communication and efforts. The remaining GESCO management team, while working significantly more hours through this, has volunteered to reduce their salaries throughout the containment and recovery period.

We continue to work with our professional advisors to analyze all programs announced by the government. We are now acting to minimize more severe actions, if we were to wait. We will stay close to this, and any changes that are favorable to us will be deployed to assist in the return to work process.

Personally, I remain grateful for the acts of good I have witnessed in my family, community, suppliers, customers, and in the GESCO family. I want to thank the entire GESCO family for your perseverance to move forward and adapt to all we have been facing in real time as new information requires us to. I want to call out specifically our front-line employees who have worked under our safety procedures to protect themselves and their coworkers, as they keep our business operational so we can continue to serve our customers. I also want to acknowledge the CVC (Corona Virus Committee) for their tireless work starting early each day and running long into each night. They review all current and changing information to ensure our policies and procedures are updated, communicated, and executed ensuring we are doing all we can to protect our employees, customers, suppliers, and service providers.





In closing, I want to leave no doubt that we have a vision and plan for a bright future. This crisis will pass and GESCO will emerge stronger. We will have learned a great deal and refocused on the values that drive real success, both personally and in business. We will rise to great success, fully realizing all the opportunity provided to those who have a plan and are prepared to lead.

On behalf of our shareholders, executive team and senior management, I want to thank you for your understanding. May you continue to stay safe and healthy.

Sincerely,

Paul Green, President and Chief Revenue Officer
GESCO Group of Companies