



March 30, 2021

Dear Stakeholder,

Silicon Forest Electronics (SFE) has always adopted a policy and vision of being a "positive and profound impact" on all of our connected partners (customers, employees, suppliers, community, and shareholders). With that as our enduring goal, I am pleased to announce our sphere of influence has increased significantly. Silicon Forest Electronics has agreed to merge with ESAM (Grants Pass, Oregon) and Bay Computer Associates (BCA) (Cranston, Rhode Island) through a stock purchase agreement with VergePointe Capital (Lake Oswego, Oregon). The combined group will be merged into EHC, a holding company.

This exciting transaction will merge capabilities from adjacent business elements bringing together design (BCA), printed circuit board assembly production (SFE), cable and wire harness production (ESAM), and systems integration-box build (ESAM and SFE). The combined companies will have the scale, breadth, and increased capabilities to compete more effectively in our global marketplace and bring a broader range of services to our expanded customer base.

VergePointe Capital's investment in SFE allows the release of the financial stake from shareholders whose time has come to enjoy the fruits of their investment of 22 years. We anticipate that our stakeholders will experience minimal impact and enjoy significant added benefits and opportunities to grow our mutual relationships. Specifically, only shares of Silicon Forest Electronics, a Washington State C Corporation, will change hands. The TEAM you have grown to know, and trust, will remain intact and committed to providing the superior service that is the hallmark of Silicon Forest Electronics.

Over the next year, I will be transitioning my duties to Mr. Jay Schmidt (SFE VP/General Manager) and Mr. Dave Matheny (EHC CEO/President). My commitment to being a "positive and profound impact" on the TEAM and our connections will remain as I continue throughout this year in an active role and beyond 2021 in a reduced role. My new title will be Founder/Former President. As such, I will continue to provide leadership and mentoring to my TEAM well into the future.

Dave Matheny offers, "We are very excited that the Silicon Forest Electronics TEAM has decided to join our EHC family. They will be very complementary to our ESAM and BCA capabilities. Their customer-centric focus blends perfectly with our mindset, and we are looking forward to how each can enhance the value we bring to our collective customers in the future!"

Lastly, but most importantly, I wish to thank each of you for your continued contribution to Silicon Forest Electronics' success in the past, present, and future. You are important to me and SFE. I look forward to continue to serving you and the rest of our collective customers, suppliers and community partners with a greater impact as the result of the acquisition. If you have any questions, don't hesitate to call me.

Sincerely,

**Frank Nichols**

Founder/Former President

[frank@si-forest.com](mailto:frank@si-forest.com)

360-901-9560 (M); 360-448-4950 (O)

Additional information and where to find it:

### **ESAM**

Founded in 1974 in Grants Pass, Oregon, ESAM currently employs 136 manufacturing, production support, and administrative personnel. ESAM provides the aerospace, medical, military, and industrial markets with cable and wire manufacturing services and box build - system integrations services. ESAM, a build-to-print contract manufacturer, has an AS9100 certified quality system, and is certified as located in a HUBZone. For additional information, contact Jim Anderson, Senior Director of Sales and Marketing, at [janderson@esam.com](mailto:janderson@esam.com) and please visit [www.esam.com](http://www.esam.com).

### **Bay Computer Associates (BCA)**

Founded in 1990 in Cranston, Rhode Island, Bay Computer Associates currently employs 28 engineers. BCA engineers are experts in the design of high-end medical, industrial, manufacturing, and consumer products. BCA's staff of engineers provides electronics and software design services through pragmatic design and development approaches to ensure that all work meets the highest quality standards. Through a rigorous review-based process, our designs are reliable, accurate, and flexible. For additional information, contact Dave Durfee, President, at [ddurfee@baycomp.com](mailto:ddurfee@baycomp.com) and please visit [www.baycomp.com](http://www.baycomp.com).

### **VergePointe Capital**

Founded in 2007, in Lake Oswego, Oregon, VergePointe Capital is an extension of their multi-family office and provides capital to established businesses with strong management teams. They focus on growth opportunities as well as allowing the management team to execute on long term strategic plans. An investment from VergePointe allows businesses to access new markets and expand capabilities. For additional information, contact Scott Roberts, Managing Director at [scottr@vergepointe.com](mailto:scottr@vergepointe.com) or Matthew Vance, Managing Director, at [mattv@vergepointe.com](mailto:mattv@vergepointe.com). For more information on VergePointe Capital please visit [www.vergepointe.com](http://www.vergepointe.com).

### **Silicon Forest Electronics (SFE), Inc.**

Founded in 1998, Vancouver, Washington, Silicon Forest Electronics (SFE) currently employs 86 engineers, technicians, production, and staff personnel. SFE provides the aerospace, medical, defense, unmanned systems, and industrial markets with printed circuit board assembly services and box build-system integration services. SFE, a build-to-print contract manufacturer, holds AS9100 and ISO 13485 certifications, and NADCAP accreditation for process and quality control systems. For additional information, contact Jay Schmidt, General Manager at [jay.schmidt@siliconforest.com](mailto:jay.schmidt@siliconforest.com), and please visit [www.siliconforestelectronics.com](http://www.siliconforestelectronics.com).