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SMTC Corporation Announces Over \$31 Million in New Business from Avionics, Aerospace and Defense Customers

TORONTO, Jan. 08, 2020 (GLOBE NEWSWIRE) -- SMTC Corporation (Nasdaq:[SMTX](#)), a global electronics manufacturing solutions provider and winner of the Frost & Sullivan's 2019 Best Practices Award for Customer Value Leadership in the Electronics Manufacturing Services Industry, today announced it has been awarded in excess of \$31 million in new business from three leading global avionics, aerospace and defense technology companies. Initial production is expected to begin in mid-2020.

"The awards from three different multibillion dollar a year sales companies validate our ability to expand our avionics, aerospace and defense business, which has been a priority end-market since our acquisition of MC Assembly in late 2018. This exciting growth market sector has expanded for us from \$5.1 million or 2.3% of total sales in 2018 to \$17 million or 6% of sales through the first nine months of 2019," said Ed Smith, SMTC President and Chief Executive Officer.

"Our avionics, aerospace and defense customers' need for products with the highest level of reliability, security, compliance and key requisite certifications were critical in their selection of SMTC. The newly awarded customers' orders will be built at our Melbourne, Florida facility. The selection of SMTC by our customers to supply critical-to-quality PCBA, box level integration and test development, further represents our ability to provide best-in-class service and solutions to leading avionics, aerospace and defense companies," noted Smith.

SMTC has extensive experience manufacturing, engineering, testing and supporting airborne, ground and sea-based systems and sub-systems and can provide in-house environmental testing to support HASS, MIL-STF-810G and MIL-STD-461. SMTC is ITAR/EAR registered and controlled, has diverse capabilities, and maintains the highest certified quality standards that include AS9100, IPC-610 Class 2 and Class 3 and J-STD-001F and J-STD-001FS. SMTC also supports avionics, aerospace and defense requirements by providing FAA-PMA for both original equipment and depot/repair services. For more information about SMTC's capabilities in this market sector, please see <https://www.smtc.com/markets/defense-aerospace>.

"We are excited by these opportunities that we see for us in 2020 with our existing customers and our prospects for winning additional new customers," added Smith.

Forward-Looking Statements

The statements contained in this release that are not purely historical are forward-looking statements, which involve risk and uncertainties that could cause actual results to differ

materially from those expressed in the forward-looking statements. These statements may be identified by their use of forward looking terminology such as “anticipates,” “believes,” “can,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “should,” or “will” or the negative of these terms or other and similar words, and include, but are not limited to, statements regarding the expected timing, duration and location of manufacturing for, and the anticipated financial results related to, the customer contracts referenced above, SMTC’s ability to continue or maintain in-house environmental testing, its ITAR/EAR registration, and its noted certified quality standards, and SMTC’s ability to secure additional opportunities from new and existing customers. The company cautions that actual performance will be affected by a number of factors, many of which are beyond the company's control, and that future events and results may vary substantially from what the company currently foresees. For these statements, the company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. There are many factors, risks and uncertainties that could cause actual results to differ materially from those predicted or projected in forward-looking statements, such as modification or termination of the applicable customer orders, the success and timing of ramping, availability and timing and receipt of critical parts or components, demand from ultimate customers, as well as other risks and uncertainties detailed from time to time in the company's various SEC filings, including its annual report on Form 10-K, Form 10-Q and on subsequent reports on Form 8-K. The forward-looking statements contained in this release are made as of the date hereof and SMTC assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ materially from those projected in the forward-looking statements.

About SMTC

SMTC Corporation was founded in 1985 and acquired MC Assembly Holdings, Inc. in November 2018. SMTC has more than 50 manufacturing and assembly lines in United States, China and Mexico which creates a powerful low-to-medium volume, high-mix, end-to-end global electronics manufacturing services (EMS) provider. With local support and expanded manufacturing capabilities globally, including fully integrated contract manufacturing services with a focus on global original equipment manufacturers and emerging technology companies, including those in the Avionics, Aerospace, and Defense, Industrial, Power and Clean Technology, Medical and Safety, Retail and Payment Systems, Semiconductors and Telecom, Networking and Communications; and Test and Measurement industries. As a mid-size provider of end-to-end EMS, SMTC provides printed circuit boards assemblies production, systems integration and comprehensive testing services, enclosure fabrication, as well as product design, sustaining engineering and supply chain management services. SMTC services extend over the entire electronic product life cycle from the development and introduction of new products through to the growth, maturity and end-of-life phases. For further information on SMTC Corporation, please visit our website at www.smtc.com.

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