

Valued Employees,

The daily changes we were dealing with the week of March 16 seem to have stabilized. Most of us are adjusting to the new normal (hopefully short-lived). I appreciate the can-do attitudes, willingness to do what it takes to keep our customers running, and the ability to adapt to the rules that will eliminate the virus such as, working from home, social distancing, 20 second hand washing, and cleaning workspaces often.

One of the primary takeaways from this experience is the only constant is change. The Executive team checks in as a group regularly to discuss the latest changes. The team is focused on making decisions based on the facts at that given time rather than based on speculation and rumors and we are working on contingency plans for the many possible scenarios that might occur. We understand the anxiety driven by the unknown of catching the virus, being laid off, or not finding enough toilet paper. I urge all of you to take a deep breath and evaluate each situation, and if you have questions or concerns please call your manager, supervisor VP or me.

Overall, the company is doing well. As an essential supplier to a variety of essential industries, we are still working which is great news. We have made some adjustments to some employee's hours, store hours, capital spending, and are being cautious with new inventory. But, within the scope of the rest of the world, we are hanging in there better than most. We intend to stay open to serve our customers as long as they are operating.

All of you should be proud of your accomplishment of being on the job. You are essential, not only to our customers, but to being part of the engine that keeps a devastated economy on its feet, critical to helping get every other business running once we have defeated the virus.

I am proud to work with all of you. Thank you, again, for your commitment to Holt, our customers and the American way of life.

Ken