

# Price Adjustment Notification

Distribution

TDK-Micronas | May 2026



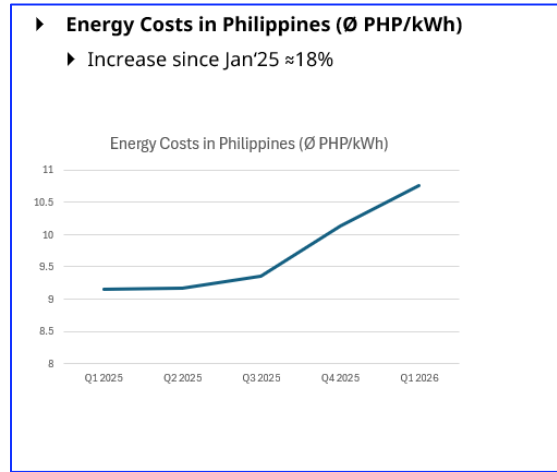
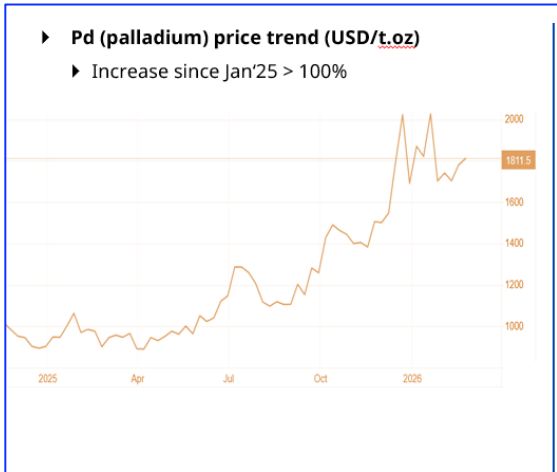
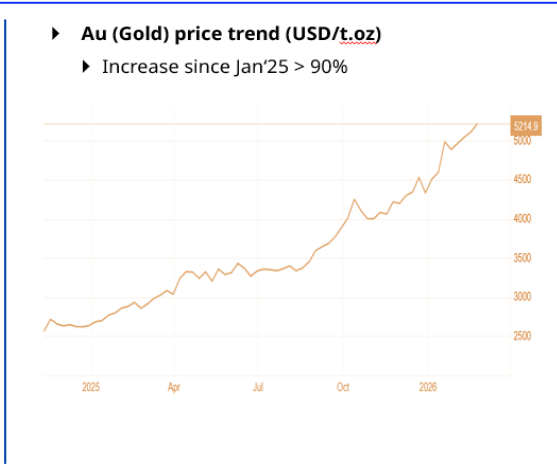
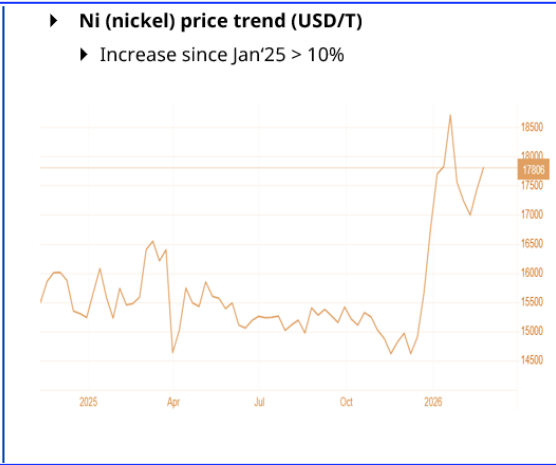
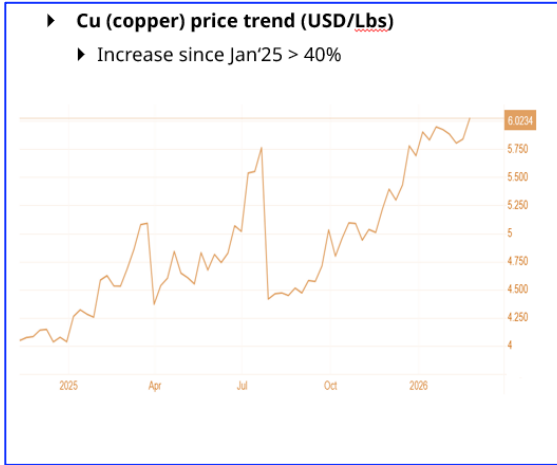
# Agenda

- ▶ Executive Summary
- ▶ Raw Material Cost Increases
- ▶ Operational Cost Pressures
- ▶ Our Commitment to You
- ▶ Next Steps

# Executive Summary

- ▶ The semiconductor industry has experienced sustained increases in key cost drivers
  - ▶ Raw materials and precious metal content
  - ▶ Higher operational and capacity-related expenses
  - ▶ Significantly increased assembly and final test costs
- ▶ TDK-Micronas values our long-standing partnership and has absorbed significant cost increases over the past years to shield you from volatility
- ▶ In parallel we have continued investing in capacity expansion and equipment to ensure supply continuity, quality, and service excellence
- ▶ Due to latest cost developments, a price adjustment has become indispensable and needs to be implemented to partially offset these costs and maintain sustainable, reliable manufacturing operations

# Cost Increase Examples since January 2025



► **Labor Costs**

- 2025: Average salary increase of approximately 5.5%
- 2026: Estimated average salary increase of approximately 5.5%

# Cost Increase Summary (since Jan. 2025)

## Raw Material Cost Increase

Precious Metals	Silver (AG)	Palladium (Pd)	Gold (Au)
	>200%	>100%	>90%
Base Metals	Tin (Sn)	Copper (Cu)	Nickel (Ni)
	>90%	>40%	>10%

## Operational Cost Increase

Energy Costs	Phillipines	Singapore & Thailand	
	~18%	Sustained upward pressure	
Labor Costs	Phillipines	Thailand	Singapore
	5.50%	4.50%	4.30%
2026 est.	5.50%	5.00%	4.00%

- ▶ Impact on product/package
  - ▶ *Enter related cost increase, for our products*
    - ▶ *HALxyz average + 8%*

# Our Commitment to You

- ▶ Continued investment in manufacturing excellence
  - ▶ Capacity expansion to meet your growing demand
  - ▶ Strengthening supply-chain resilience to assure a consistent supply
- ▶ Unwavering focus on quality and reliability
  - ▶ Rigorous quality control standards
  - ▶ Consistent on-time delivery performance
- ▶ Long-term partnership approach
  - ▶ Transparent communication
  - ▶ Collaborative problem-solving
- ▶ We remain dedicated to supporting your success and growing together

# Next Steps

- ▶ New pricing to be implemented by June 1st, 2026.
- ▶ TDK-Micronas will further continue price negotiations with our sub suppliers to re-adjust prices where possible
- ▶ TDK-Micronas will actively monitor market and material-cost trends and are open to revisiting pricing once costs sustainably decline and conditions normalize; Adjustments will be confirmed after joint verification.

Thank you for your continued trust and partnership

