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MEMO: Increased leadtime on IQS family of products

TO: All distributors, representatives, design partners and customers

The worldwide semiconductor industry is experiencing capacity constraints and unfortunately Azoteq is also impacted by this phenomenon. Despite working very closely with our foundry partners, lead-times on the foundry process and start of wafers are negatively impacted at present.

At present, manufacturing lead-times are reaching up to 140 days on top of a delay of wafer starts. Azoteq is increasing the levels of risk stock inventory, but the effect will take time to become effective.

Please work very closely with Liezel Gous (<u>liezel.gous@azoteq.com</u>), Internal Sales, along with your external sales interface to make sure forecasts are up to date. Due to the latency in the manufacturing pipe, we cannot react on short notice.

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