

Ilco Announcement Subject: Tariff Impacts Date: May 28th, 2025

Dear Valued Customers,

Ilco has been closely monitoring the impact of tariffs introduced under the Trump Administration. For several months, we have absorbed these additional costs in the hope of favorable policy changes.

While recent developments in U.S. trade policy have led to a reduction in some tariffs, certain product categories remain significantly impacted. As a result, we now find it necessary to **adjust our surcharge** on those specific categories to reflect the continued cost pressures. Below are the surcharge adjustments.

Effective Monday, June 2nd, all new orders will include the following surcharges:

Ilco Cylinders & Replacement Hardware: 8.25%

AD Smart Pro Programmers: 18%

• Advanced Diagnostics Accessories: 30%

All other product categories will continue to carry a **1.75% surcharge** to cover indirect tariff-related costs.

Please find more details on price lists on page two.

To ensure fairness and maintain supply continuity, order quantities during the reception of this notification to the implementation date will be limited to typical purchase volumes.

We'll continue monitoring the situation and adjust as needed. Thank you for your continued trust and support.

Sincerely,

Rami Saideh Sr. VP, Kaba Ilco



- Ilco Cylinders & Replacement Hardware: 8.25%
 - o Brass Cylinders & Storefront Replacement Hardware Price List See Attached
 - EBTC Surcharge Excel Price Lists See Attached (excel file)
 - Pages 2-18 and 32-38 see attachment
- AD Smart Pro Programmers: 18%
 - AD Price List See Attached
 - Smart Pro (Drop Ship Pricing) page 2 see attachment
 - Exchanges/Trade-Ins (Drop Ship Pricing) page 2 see attachment
- Advanced Diagnostics Accessories: 30%
 - o AD Price List See Attached
 - Smart Pro Accessories/Replacement Items page 2 see attachment
 - T-Code Pro/MVP Pro Accessories/Replacement Items page 3 & 4 see attachment