

Wholesale selling prices for HEINEKEN beer and cider brands.

Dear Customer

Throughout the pandemic, our priority has been to help pubs and bars through the most difficult trading period in generations and get them back on their feet, serve their communities, and be viable once again.

It's been a challenging nine months for the industry, but we have supported customers by absorbing costs related to restocking and maintaining workable cellars, investing in practical support and creating safe environments, while also offering a number of deferred or cancelled payments.

As always, we attempt to mitigate these increases as much as possible, but as part of our annual cost review we must inform our customers of our intention to increase prices on draught beer and cider.

We acknowledge, however, that in the early part of the year, trading is likely to remain suppressed due to government restrictions caused by the pandemic and so we have decided to **defer** the implementation of any increase by a further two months from our usual date at the start of February. This will allow more time to plan for your business and hopefully we should be in a less restricted position to welcome customers back to the On Trade.

We will therefore be increasing our wholesale selling prices on **Monday 5th April 2021** and the increases will be applied to our draught products only. As two examples, the listed WSP of Foster's 50 litre keg rises by 2.8% duty exclusive, or £4.00 per keg (4.55p per pint), and Birra Moretti 50 litre keg rises by 4.5% duty exclusive, or £8.16 per keg (9.27p per pint). We are holding our prices across all our packaged range.

Full details of our WSP schedule showing the new WSP prices that take effect on all deliveries made on or after Monday, 5th April 2021 can be seen <u>here</u>.

Thank you for your continued support throughout a historic and challenging year and should you have any queries please do not hesitate to speak to your usual HEINEKEN sales contact.

Yours sincerely,

Stephen Watt

UK On Trade Director



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