



September 15, 2022

Dear Chad Watson of Vending Products of Canada,

**At Bimbo Canada;** we are passionate about our business, our brands, and our products, we are consumer-centric, we develop strategic priorities for long-term profitable category growth and build win-win customer relationships. **We remain focused on activities that are most vital to our business:** baking and shipping quality products that feed Canadians, while keeping our associates safe and keeping costs down.

Over the last year, ingredient costs have increased by >70%, Packaging >15%, Direct Labour >25% & Supply Chain +15%. We have exhausted all options to absorb these costs through internal mitigation and as a result, necessitates further pricing actions.

This letter is to inform you that Bimbo Canada will be forced to **increase our Invoice Prices in Q4, 2022** on Bread and Snack products driven by these significant cost increases.

The details are as follows:

- Rate of increase:
  - All branded and private label breads
  - Snack Cakes (Vachon, Hostess, Little Bites...)
  - Takis
- Effective date: Sunday, Oct. 9th, 2022

**Bimbo Canada exists to serve consumers and customers. We will continue to supply consumers with the products they love and rely on, invest in quality, innovations and consumer-centric programs.**

We have made our pricing decision unilaterally based on the individual needs of our business. This letter contains confidential information that should not be shared with third-parties.

Your Bimbo Canada representative will be in touch to provide the complete details of this price increase. We appreciate your business and remain committed to delivering profitable sales growth.

Best,

Robert Scott  
Vice President, Finance