



Dear Valued Customer,

At Huer Foods, we aim to keep our costs as competitive as possible. While we have not implemented a general cost increase since 2023, it is now necessary to inform you of a price increase on our portfolio of soft & chewy candy products **effective February 1st, 2026**. All orders shipping from this date forward will reflect the new cost.

Why the Price Increase is Necessary

This pricing action is driven by significant and sustained increases in our core operational and component costs over the last two years. While we have taken aggressive internal measures to improve productivity and reduce our costs, we are unable to fully offset these increases internally. The key input cost pressures include:

- **Production Agents:** We have faced sustained cost pressures on starches, gelatin, and hydrocolloids—the key ingredients that create the signature soft and chewy texture of our candies.
- **Packaging:** There has been significant inflation in the films, bags, and bulk containers we use to ensure product quality and presentation.
- **Operating Costs:** Our business is also faced with considerably higher operational expenses, specifically significant increases in both plant labour and distribution costs.

Our Commitment to You

Huer Foods exists to serve consumers and customers. We will continue to supply the quality, variety, and innovative candy products that consumers rely on, and invest in quality and consumer-centric programs, including maintaining our high manufacturing standards such as SQF Certification.

Should you have any questions, your Huer Foods representative will be in touch shortly to discuss the details.

A handwritten signature in black ink, appearing to read "John Frostad".

John Frostad, CEO