

TWO BEARS
OFFICIAL PRICE INCREASE NOTICE

Effective Date: November first

To our valued partner,

This letter provides formal notice of a price adjustment on all Two Bears Ready to Drink items as well as our two Tetrapak oat milk items Original Oat and Vanilla Oat. This adjustment took effect on November first and has been communicated across our distribution network in Canada.

Coffee is a core ingredient in our Ready to Drink products and its cost has risen sharply over the past five years. Below is a summary of Arabica coffee prices in USD per pound.

2020: 1.51 per pound
2021: 2.05 per pound
2022: 2.55 per pound
2023: 2.06 per pound
2024: 2.55 per pound
2025: about 3.98 per pound

Prices have more than doubled since 2020. We have absorbed as much as possible in order to maintain our quality standards without changing ingredients or formulations.

In addition to coffee inflation, our oat milk products have also experienced meaningful cost increases. These increases come from several areas including higher costs for oats and plant based raw materials, increases in co packing labor, rising packaging costs for Tetrapak cartons, and higher transportation and warehousing expenses across Canada. These pressures affect our Original Oat and Vanilla Oat Tetrapaks even though they do not contain coffee.

Due to these sustained increases across our full supply chain, a price adjustment is now required.

We appreciate your partnership and your understanding as we continue to deliver the same high quality and consistency you expect from the Two Bears brand.

Sincerely
David Schneiderman
Co Founder and CEO
TWO BEARS