

Admiral Taverns Rent Policy (Wales Pubs) for June 2021 onwards

Dear Licensee,

I hope that you are well and trading has been strong since you reopened in April or on May 17th. On average, we saw strong sales outdoors and on Monday this week, average beer sales were up nearly 50% in comparison with a typical pre-COVID Monday. I hope you personally have had a strong reopening and have had the opportunity to welcome both regulars and new faces alike.

It has been fantastic to see the improvements many of you have made, often with support from Admiral Taverns, in your outdoor spaces and the internal redecorations too. I'm sure these changes will repay very quickly over the summer months.

Please know that we are continuing to work with the trade bodies and Senedd departments to ensure the removal of all restrictions from June 21st. We are also pushing Local Authorities to deliver the payment of outstanding grants and are lobbying for an economic recovery plan on behalf of pubs across the UK. Please let us know if you require specific assistance with your Local Authority or MP.

We wrote to you in April confirming May's rent payable and said we would write again when we were in a position to confirm the June onwards position.

As you know, we have offered significant rent credits since March 2020, starting with the initial rent-free period of 6 weeks, and since then have always based our approach upon a detailed assessment of affordability in light of costs, government support and ability to trade. We have now completed our latest assessment and can confirm rent policy for June 2021 onwards as follows subject to your continued occupation and the remaining term of your tenancy agreement. In the past week, we have been very disappointed with the level and conditionality of the Welsh government grant support being offered post-April 2021 and as a result we wish to give you a 50% rebate of your rent and other charges already invoiced by Admiral for May.

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Therefore,

May: A **credit** of 50% of May's payable amount will be posted to your account.

June: You will receive a rent credit of 25% per month (reducing the net payable to **75%** of your agreement level), subject to a floor annual rent payment level of £5,200. Full insurance and service charges.

July onwards: Rent at **100%** of your agreement level. Full insurance and service charges.

We can now also confirm the following timeline for the re-introduction of all other regular charges as follows. These services and therefore charges apply to varying extents in accordance with your specific agreement:

From 1st June 2021, the following charges to be levied at 100%

- Utilities
 - Inside Track
 - Accountancy / Stocktaking
- and
- Tie Release Fees to be charged at 75% (consistent with the rent %)

From 1st July 2021, the following charges to be levied at 100%

- Fixtures and fittings (F&F) rental
- Inventory Purchase agreements (IPAs)
- Deposit, dilapidations and any other build-ups
- EPOS (electronic point-of-sale tills)
- Tie Release Fees

Yours sincerely,

Chris Jowsey
Chief Executive Officer