

1st December 2016

Dear All

As we approach the end of 2016, the Board of Directors would like to take the opportunity to thank everyone for the hard work you have put into servicing our clients during 2016. Additionally, we would like to provide you with a business outlook for 2017.

On a positive note there has been some really good feedback from a number of our clients throughout the year. Your efforts to maintain our high service standards are incredibly helpful in securing and developing our client relationships for the future.

We have recently been advised that one of our long standing clients, AS Watson (Superdrug and Savers), will not be requiring our services in 2017. This decision is not reflective of dissatisfaction with the standard of service we have provided, which has been excellent.

A number of client developments will positively affect 2017. These include the reintroduction of Claire's Accessories (a substantial requirement through the UK and across Europe); a large increase in our allocation from Sainsbury's; Poundworld and Euro Car Parts join as new clients.

In addition to the clients mentioned above, we forecast growth in activity for various long-standing customers as they grow their store networks.

New sales opportunities are encouraging as we continue to develop potential services with prospective clients, including a very good chance of new work in the grocery sector.

On balance, we anticipate a positive 2017. The removal of Superdrug and Savers is of course disappointing, but the aforementioned new business wins and prospective clients more than compensate for this in terms of workload for all us throughout the year.

We will of course keep you updated on new business and when and where this will be introduced.

Claire Kachouri
Operations Director