

# Minehead Announcement

Sales of Snazaroo product have been severely affected by Covid 19. The inability for our consumers to hold children's parties, run school and summer fetes and the new restrictions on social gatherings which will affect the forthcoming Halloween and holiday season worsen what has already been a poor year for sales.

We have lessened the impact through the Government furlough scheme, but this is ending shortly and with the pending move to our new site its essential that we ensure the business remains efficient and cost effective. We have recently been planning for our 2021 Budget and the projected volumes needed versus the high excess stocks currently in the Colart warehouses indicates that it may no longer be possible to support the current number of people in manufacturing.

As a result, the Company is considering reducing four roles within manufacturing in Minehead. In effect it is likely that a redundancy situation will result. People likely to be affected are currently being consulted and as you can appreciate this will be a difficult time for them so we will do what we can to support.

We do not envisage any impact on the fulfilment of customer orders.

If you have any questions on the above, please contact your line manager.

Regards,

Richard Llewellyn