

Felixstowe Port Update

Dear Customer

As you are no doubt aware, we are all facing challenging times in relation to all activities surrounding import logistics. We thought it would be prudent to circulate a message to all our valued customers to clarify and provide further updated information.

All major UK ports are currently facing major congestion and delays. Felixstowe, being the worst affected, is under severe pressure to improve their working practices and procedures. Following lobbying from BIFA, they have appointed Chris Grayling in an advisory role, however, we do not expect this to have any beneficial impact in the short term, this will be a long-term project.

For information, please see following BBC news article relating to Felixstowe port issues.

<https://www.bbc.co.uk/news/business-54908129>

These UK port issues are compounded by the fact that space and equipment availability in China are at a critically low level. Some carriers are refusing to accept cargo to UK, many other have reduced capacity, some are moving vessels away from Felixstowe and diverting them to other ports, such as Thamesport or Rotterdam. This then causes more issues surrounding schedule reliability and UK trucking availability.

All carriers are reacting to this by increasing freight rates and introducing various peak season and port congestion surcharges, drastically inflating current freight levels to between us\$5500 and us\$6500 per 40ft container from China main ports. These rates are set to increase further during December and up to Chinese New Year. We are hopeful that things may start to settle a bit post CNY.

Beckchoice are continually liaising with all the carriers and our various partners in China to ensure we can continue to provide the highest level of service we can to all our customers. We are getting containers booked and shipped, despite the current vastly reduced capacity and space on vessels departing the Far East in general.

We will strive to maintain this and will ensure we keep you all updated and abreast of the situation as it develops over coming months.

Sincerely

Beckchoice Ltd.