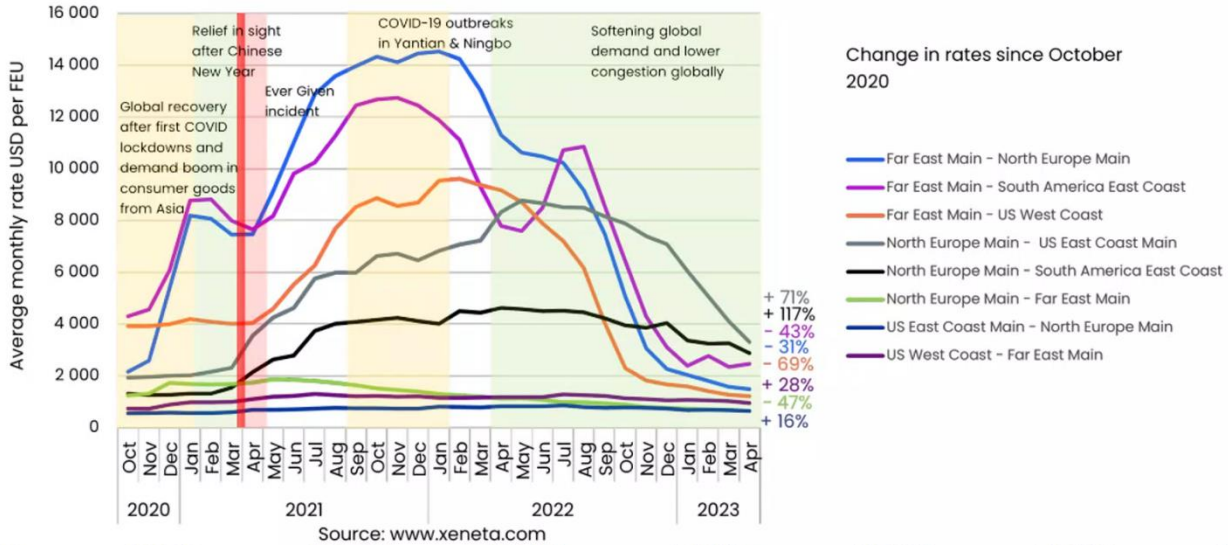


GLOBAL FREIGHTS

- In a report published by the IMARC Group, the expected outlook for growth of the global shipping container market is US\$10.3 billion in 2022 to US\$16.4 billion by 2028 - a growth rate of 8%.
- In North America, the risk of strikes on West Coast could cause a further shift of volume to the East Coast and potentially causing some delays due to congestion. Strikes could potentially affect all ports on the West coast including Oakland and Jacksonville.
- Global trade leaders have recently discussed the idea of moving some of their production or dispersing it across Asia to loosen their dependency on China.
- Carriers are reacting to the volume increase from Asian countries by ordering more flexible vessels that can be accommodated in Southeast Asia ports.
- As seen in the graph below, we are seeing the normalization of spot rates in the market, particularly out of East Asia.

Development of Spot Rates (Oct 2020 – April 2023)

Global Ocean Spot Freight Rates



NORTH AMERICA

Ports situation

- NY/NJ flow of imports have remained steady through the start of the year and partners have been successful in pulling equipment within free time.
- Toronto CN/CP congestion issues have improved. However, warehouses are still operating at almost full capacity.
- Oakland is experiencing labor shortages. Equipment is falling into inaccessible areas causing delays in pick-up appointments with added dwell times averaging 7 days.
- Seattle is experiencing similar labor issues as Oakland. We're seeing longer dwell times to pick up equipment from port.
- Houston port operations have improved. The import long dwell fees have helped with equipment turnover. Warehouses are still having capacity constraints.
- Montreal & Vancouver are congested but it is mostly impacting warehouse operations as partners are dealing with capacity issues.

Inland transportation

- US spot trucking rates continue to remain stable into Q1 2023.
- LTL carrier reliability continues to be difficult, struggling to meet warehouse pick-up appointments and causing delays on outbound orders.

EUROPE

Ports situation and inland transportation

- Northern EU ports are operating normally without any issues reported.
- Despite some Union meetings and strikes by customs, Italian ports have been working regularly in the last period.
- Truck availability across Europe is good.

LATIN AMERICA

BRAZIL

Container availability and vessel space

- Container availability is much better than in previous months.
- There has been a slight improvement in vessel spaces, but anticipation is still necessary to request bookings.
- With dry port customs, clearances are being done but inspections are taking longer than usual.

COLOMBIA

- Container availability is good except for a few shipping line options to specific destinations.
- From Cartagena, there are no issues with space availability.
- From Buenaventura, most shipping lines are working properly apart from a selective few who only have spaces in May.
- Some unstable bridges leading to Buenaventura port are causing inland transportation uncertainties/difficulties. The Colombian government is working on repairing these bridges.

OTHER

- For Peru, there is availability of containers and spaces on vessels. We're starting to see a greater influx of coffee out of this origin. More shipments are in the pipeline.
- Since the ports of CAM are small, every year as soon as the harvest starts there is a lack of bookings and container availability. Just like in previous seasons, we are starting to see some difficulties in container availability and an increase in spot freight from these origins. However, some origins are bouncing back from this problem:
 - Honduras: Situation is getting better with container availability
 - Guatemala: Seeing better container flow as well
 - Nicaragua: Still calm for the time being but we are expecting this to pick up

AFRICA

UGANDA, RWANDA, AND KENYA

Container availability and vessel space

- Vessel schedules are stable, and most shipping lines have, on average, 3 vessels per month.
- Containers are available in Kampala and Kigali for our current demand.

Trucks and border

- Trucks are available and border operations are running smoothly.
- Mombasa port is operating normally.

TANZANIA & BURUNDI

Container availability, vessel space and port situation

- Containers are available with most shipping lines and vessel schedules stable.
- Dar es Salaam port's berthing has improved and now has a normal timeline of 3 days. The documentation process also improved, and deadlines must be strictly adhered.

ETHIOPIA

- There is a shortage of 20ft containers with key shipping lines such as MSC and Maersk. Others have better availability of containers.
- Transit to Djibouti is normal and the port is operating normally.

ASIA PACIFIC

VIETNAM

- Facing container shortage from CMA and blank sailings ex HCM to Mediterranean
- Limited services and significant rate increase from Hochiminh to Latin America from SH April

MALAYSIA

- Federal Agricultural Marketing Authority (FAMA) recently started to strictly impose the bag weight limits. Hence, importers without processing facilities are not allowed to import coffee bags weighing more than 30 kgs. This will create negative impact on coffee trading activities in Malaysia, especially when most origins ship coffee in 60-70 kg jute or 1 ton big bags. We are still waiting for further update from our partners to see if any solution can be found to avoid this issue.

OTHERS

- Normal port operations and no issue with container and space availability