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SINCE 1891



YOUR RELIABLE LOGISTIC PARTNER

January, 25th 2024

Dear Clients, Partners and Friends,

We like to inform you about the on-going situation for civilian cargo shipments via Red Sea / Gulf of Aden.

Background:

Various civilian cargo ships have recently been attacked by armed forces using rockets and drones.

As a consequence of those attacks, most carriers decided to avoid the Red Sea / Gulf of Aden passage. This decision has significant consequences. The Suez Canal, the primary transit route between Europe and Asia, can only be accessed through the Red Sea.

The alternative to the Suez Canal is to sail around the African continent via the Cape of Good Hope. However, this route takes an additional 10-14 days sailing time.

Below a short summary, showing the measures taken by the major international Shipping Lines out of Europe to destinations at the Red Sea, Arabian Gulf and Africa:

Shipping Line	Action taken	Impact on transit time	Cost impact
CMA CGM	DECLARED FORCE MAJEURE, PAUSED JOURNEYS VIA RED SEA, CHANGED ROUTING VIA CAP OF GOOD HOPE	APPROX. +10-12 DAYS Subject to rotation of the vessels and transit hubs.	"EXTRA RISK SURCHARGE" USD 500 PER TEU
MAERSK	CHANGED ROTATIONS, IMPLEMENT NEW SERVICE ROUTES AND SHUTTLES, OMITTING PORTS OF CALL (E.G. JEDDAH)	APPROX. +10-12 DAYS Subject to rotation of the vessels and transit hubs.	"TRANSIT DISRUPTION SURCHARGE" VARYING UPTO USD 750 PER TEU
HAPAG LLOYD	CHANGED ROUTING VIA CAP OF GOOD HOPE	APPROX. 10-14 DAYS Subject to rotation of the vessels and transit hubs.	"OPERATIONS COST RECOVERY" USD 500 PER TEU



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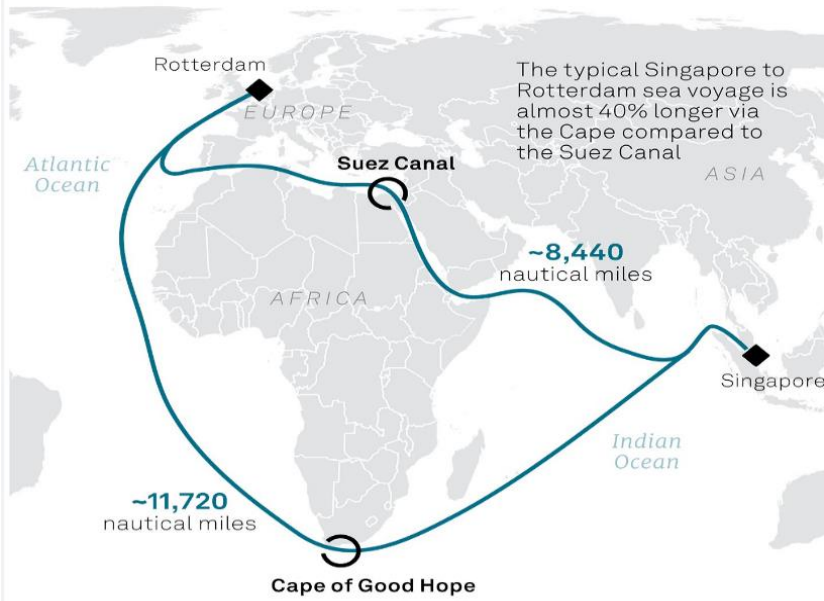


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Comparison of transit routes and -/times:

Suez Canal vs. Cape of Good Hope shipping routes



Source: Global Maritime Hub, S&P Global Commodity Insights

We remain at your disposal for any further questions or requirements.

Yours sincerely,

MG International Transports GmbH