

Dear all,

If not already directly received, here are the updated from Greater China on the Reefer Equipment acceptance:

1) In order to prevent the contamination of food with the virus and to avoid compromising food safety in the current COVID-19 epidemic situation, all food customers need to submit the letter of commitment to the customs as the below declaration:

We are willing to comply with Chinese laws, regulations and standards and the “COVID-19 and food safety: guidance for food businesses” published by the Food and Agriculture Organization of the United Nations and the World Health Organization to ensure that food imported into China is not contaminated with the COVID-19 virus and to ensure the safety of food imported into China. In the event that a new case/suspected case of COVID-19 is detected in a food enterprise, or if there is a risk of contamination of food products exported to China, we are willing to take all necessary measures to eliminate food safety risks and protect consumer health.

2) For all imported food to Beijing the customs clearance needs to be done at Xingang port instead of Beijing customs. For all fast frozen food, cold food and seafood 100 % customs inspection rate will occur. Other food will be arranged casual inspection as usual but need to submit the above letter of commitment to the Customs before customs clearance. The customs workload at Xingang port will be increased and the inspection efficiency will be reduced which will cause delay for cargo release at Xingang port.

3) In regards of trucking service from Xingang to Beijing from 22<sup>nd</sup> June all truckers from Beijing to other provinces need to submit Nucleic acid test certificate with 7 days valid at exit. Information was provided that the detection time needs to be announced in advance (at least 3-4 days in advance) and the test report could be obtained at least 5-7 days after the detection. The current truck resource is very tight in Beijing and Xingang, all truck services and delivery services are stopped in this week. We assume that it can be resumed in next week. The market is facing trouble to comply with the delivery time according to Beijing customer's actual request. Please inform our customers proactively about the possibility of delay due to new road regulation.

## China – Update on Reefer Container Operations

### Xingang:

All frozen cargo need nucleic acid test before it can be imported, process takes 1-2 weeks. XGG port enlarged reefer plugs at the port, currently there is no plug shortage.

Currently we are handling a return shipment (white Shrimps from Ecuador), as customer is on the “black list” of China Customs as novel coronavirus were detected from the outer package.

### Qingdao / Dalian:

All frozen cargo need nucleic acid test before it can be imported, process takes around 2 weeks. Currently there is no plug shortage.

### Shanghai:

At the moment the plug utilization is high, but still manageable (SHA Port enlarged reefer plugs). We are expecting congestion within the next 2 weeks.

### Ningbo:

Plug situation at Ningbo is manageable so far, but frozen warehouse is getting congested due to the testing by customs (plug situation in warehouse is tight as they don't have enough). It takes in average at least 10 days from container arrival to release from customs, in the past its only 3-5 days.

### Hong Kong / Shenzhen / Guangzhou:

So far there is no issues to handle inbound and outbound reefer container shipments. Operation handling is running smoothly and also no special handling regulation from carrier is required. Equipment situation is sufficient enough for outbound business.

Yantian plugs utilization is high but we got information from various Carriers that the situation is still manageable and not comparable to what we experienced earlier this year.

### Taiwan / Xiamen:

No service bottleneck to handle inbound reefer containers.