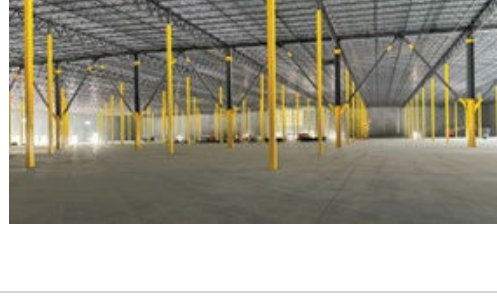
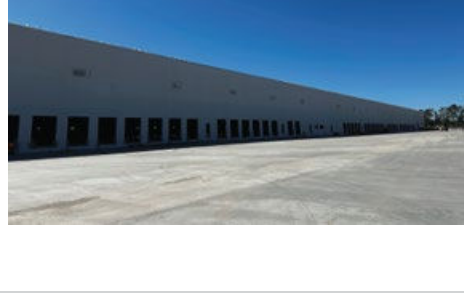


NEW KOMAR SAVANNAH DC PROGRESS REPORT

Our 760,000 square foot state-of-the-art Distribution Center (DC) project in Savannah is making significant strides.

- **Construction Milestone: Walls and roof fully installed.**
- **Upcoming Tasks: Electrical, IT infrastructure, offices, and dock door mechanicals by April end.**
- **Projected Completion: On Track for July 1, 2024.**



PORT OF SAVANNAH UPDATE

In February, the Georgia Ports Authority achieved remarkable growth, handling 451,670 TEUs, marking a notable 14.4% increase from the previous year. A steadfast commitment to excellence is underscored by strategic location advantages, ongoing infrastructure enhancements, and fostering a business-friendly ecosystem.

Key Highlights

Growth Surge:

- Managed 451,670 TEUs in February, reflecting a robust 14.4% year-on-year growth.
- Significant upticks in import containers (19%) and export loads (10%).

Strategic Location:

- Savannah's strategic location positions it within a two-day drive of 60% of the U.S. population.
- Bolstered by the distinction of being the fourth-largest and fastest growing U.S. container port.
- The Southeastern U.S. population is experiencing accelerated growth compared to other regions in the country.



Business Environment:

- Georgia has been consecutively voted the number one state for business for the 10th year running.

Infrastructure:

- Ongoing capacity expansions and the implementation of the Savannah Harbor Expansion Project.

DISCOVER KOMAR DISTRIBUTION:

Culture of Excellence:

At Komar Distribution Services, our culture of integrity, respect, and professionalism is more than just words—it's who we are. Guided by our 'One Reputation Real Values' philosophy, we embody these principles in every aspect of our operations.

Proactive Work Environment:

"Execute and Good Things Will Happen" isn't just a slogan—it's the heartbeat of our proactive work environment. We believe in the power of dedication and data to drive excellence, fostering continual improvement, learning, and mastery in all tasks.



Operational Excellence:

Experience our commitment to operational excellence firsthand with remarkable metrics:

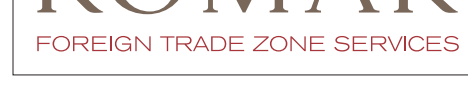
- 99.95% Operational Fill Rate
- 99.95% Inventory Accuracy
- 99.93% Operational Chargeback Compliance
- 99.98% Operational On-Time Shipping

Virtual Tour Invitation: Curious to see how we operate? Take a video tour [Komar Distribution T Sort Tour](#) and witness our latest automation in action.



FOREIGN TRADE ZONE (FTZ) BENEFITS IN TODAY'S ECONOMIC CLIMATE

Amidst the current economic landscape, our clients are capitalizing on the following opportunities provided by FTZs:



Streamlined MPF Consolidation: Utilizing FTZs allows for the consolidation of various U.S. imports into a single entry, effectively minimizing Merchandise Processing Fee (MPF) expenses associated with multiple smaller shipments.

Deferred Duty Payments: By leveraging FTZs for storage purposes, duty payments can be deferred. This approach optimizes cash flow management, ensuring duties are only settled at the time of goods shipment.

EVOLVING SUPPLY CHAINS: THE POWER OF BUSINESS PROCESS REVIEWS IN 3PL OPTIMIZATION

Business Process Reengineering (BPR) is pivotal in achieving efficiency, quality, and resource allocation in supply chains. Here's how BPR drives transformation:

- Operational Efficiency:** By meticulously identifying inefficiencies and redundancies within processes, BPR enables companies to streamline workflows and curtail unnecessary costs.
- Continuous Improvement:** Embracing BPR fosters a culture of perpetual enhancement, with regular evaluations and refinements ensuring adaptability to shifting supply chain dynamics and evolving customer requirements.
- Competitive Advantage:** Organizations undertaking BPR initiatives gain a distinct competitive edge by optimizing operations, delivering products and services with greater efficiency, positioning them ahead of the competition and driving profitability.



"The KDS team's detailed business process reviews and focus on key performance indicators have significantly enhanced our retailer relationships. Their expertise and insights, coupled with professionalism, have made our partnership both productive and rewarding."

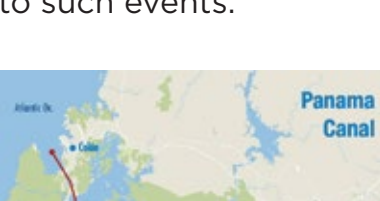
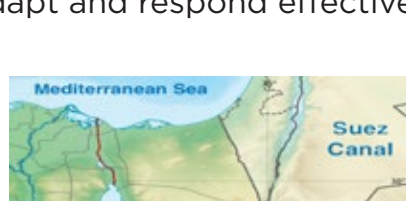
Fred Strulson, Vice President



OCEAN & SUPPLY CHAIN HIGHLIGHTS

Navigating Canal Disruptions

Under the guidance of Bill Aldridge, the Allport Cargo Services team has demonstrated efficiency and dedication in utilizing the Infor Nexus transportation management system to aid clients in navigating supply chain disruptions. Utilizing real-time visibility, predictive analysis, transit route optimization, and collaboration tools, clients have been empowered to adapt and respond effectively to such events.



FOSTERING SUSTAINABILITY

Fostering Sustainability

Greenabl is dedicated to fostering sustainability and decarbonization within the logistics industry. Through collaboration, innovation, and technology, shippers are empowered to reduce their carbon footprint and build a more sustainable future for global supply chains.

Benefits:

- Carbon Footprint Reduction:**
 - Access to a neutral cooperative procurement approach coupled with cutting-edge technology enables shippers to actively reduce their carbon emissions throughout the supply chain.
 - Implementation of best practices and measurement based on the GLEC framework allows shippers to identify areas for improvement and track progress towards decarbonization goals.
- Cost Savings and Efficiency Improvements:**
 - Shippers gain access to cost-effective solutions for mitigating and offsetting green house gas emissions, ultimately leading to long-term cost savings.
 - Integration of technology platforms streamlines operations and enhances efficiency, reducing waste and optimizing resource utilization.
- Leadership in Sustainability and Industry Influence:**
 - Membership in Greenabl positions shippers as leaders in sustainability, demonstrating a commitment to environmental responsibility and corporate citizenship.
 - Participation in a community-driven coalition provides opportunities for collaboration, knowledge sharing, and advocacy, amplifying the collective voice of shippers in driving positive change within the logistics industry.

For information visit: <https://greenabl.co/>



PARTING THOUGHTS

Thank you for journeying with us. The months ahead promise more excitement and progress!

Warmly,

The Komar Distribution Services Team
www.KomarDistribution.com