



Dear Vendor Partners,

To improve delivery speed to our Texas market, Bealls is making a targeted adjustment to how we ship orders originating from Shanghai, Xiamen, and Yantian.

Going forward, freight destined for our Texas distribution center (DC 818) will be consolidated into separate containers from freight destined for our Florida distribution centers (DC 817/810).

This change applies only to shipments from the three named origin ports and does not apply to domestic shipments.

- **What's not changing?** There is no change to how you book shipments: Please continue routing shipments through Yusen as you do today; Yusen will provide direction on the appropriate consolidation path and documentation steps.

**What is changing?**

- **Mode of transportation to the port:** Working with Yusen, you may be required to load onto trucks instead of containers. These trucks will transport the merchandise to a consolidation facility where Yusen will build the containers for each of our DC destinations.
- **Additional fees:** There will be an approximate USD \$715 increase per 60 CBM (40' container equivalency) to cover the additional consolidation handling and creation of a second document set. This charge will be passed through to the vendor by Yusen.

**Why is Bealls making this change?**

With the addition of our 2<sup>nd</sup> distribution center and our expected growth in volume, Bealls is looking to improve the efficiency of our supply chain. We expect a reduction in transit time of 20+ days for our store served by our Texas distribution center, improving shelf availability and in-season responsiveness. Additionally, this clarifies routing and reduces handling once cargo arrives in the U.S.

**Effective date**

- The new routing with Yusen takes effect on January 25, 2026 for bookings placed on or after that date. Please plan upcoming loads accordingly.

We appreciate your partnership as we implement this improvement. Thank you in advance for updating your processes to support faster service to our customers serviced out of Texas. If there are any questions, please send them to [IMPORTTRANSPORTATION@BEALLSINC.COM](mailto:IMPORTTRANSPORTATION@BEALLSINC.COM).

Sincerely,  
*Ray Daugherty*

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SVP of Logistics