

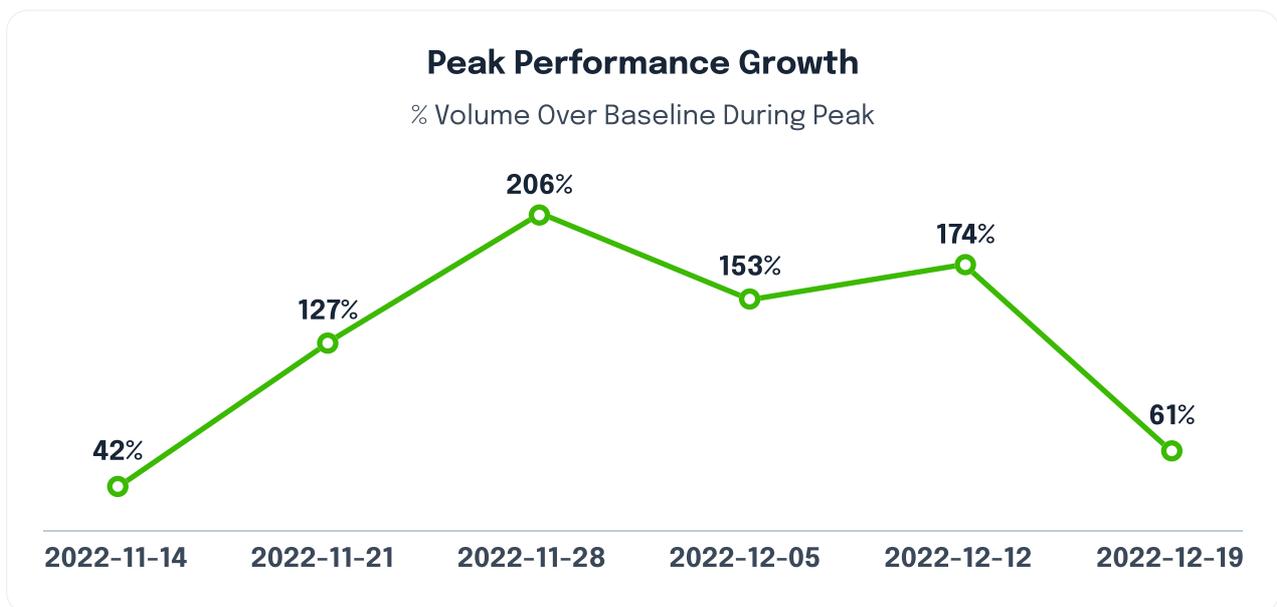
# The Maergo 2022 Peak Network Performance Report

*This report provides details of Maergo's network performance during the 6 weeks of Peak Season 2022 (Nov 14 - Dec 25, 2022).*



Maergo provides a nationwide delivery service with a 2-3 business day time-in-transit (TiNT). TiNT is defined as the time taken (in business days) from the first scan of a package as it is received at one of Maergo's regional sortation centers, to when it is successfully delivered by one of Maergo's final mile carrier partners to the end consumer.

Weekly volume during Peak Season 2022 for Maergo reached a high of 205% of baseline volume (July 4 - Nov 13, 2022) during the week of 11/28/22. Through the 6 weeks of peak, overall package volume averaged 127% of the prior four and half months volume.

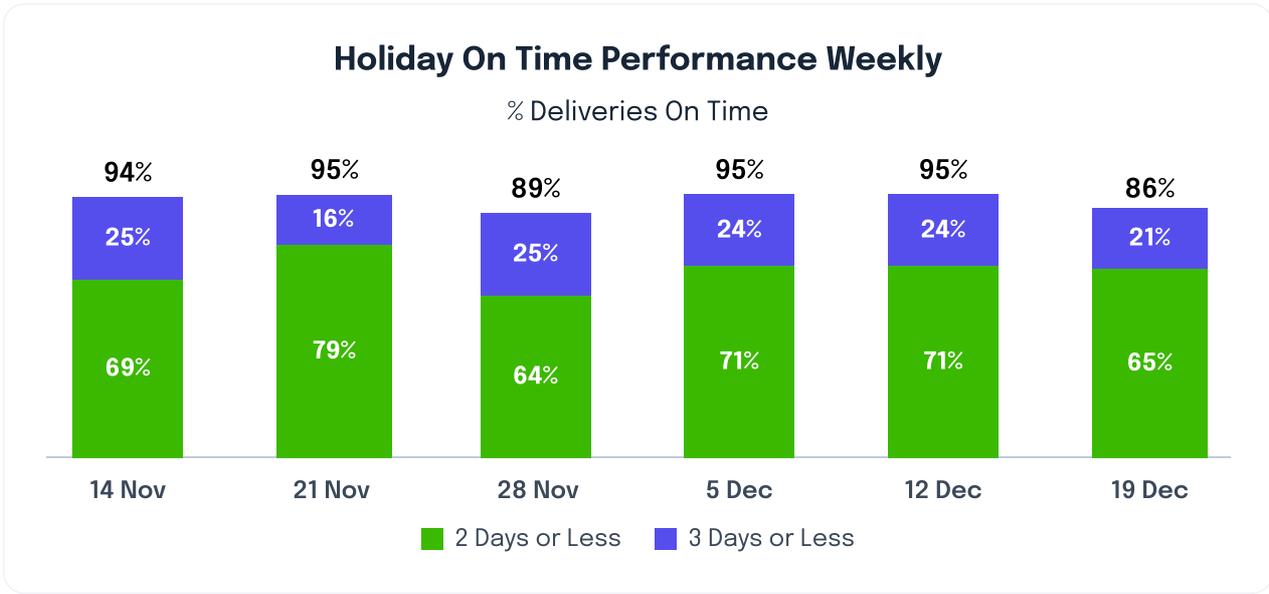


In the four and a half months preceding the holiday season (July 4 - Nov 13, 2022), Maergo delivered 96% of all packages on-time (i.e.: delivered in 3 business days or less), with 77% of all packages delivered in 2 business days or less.

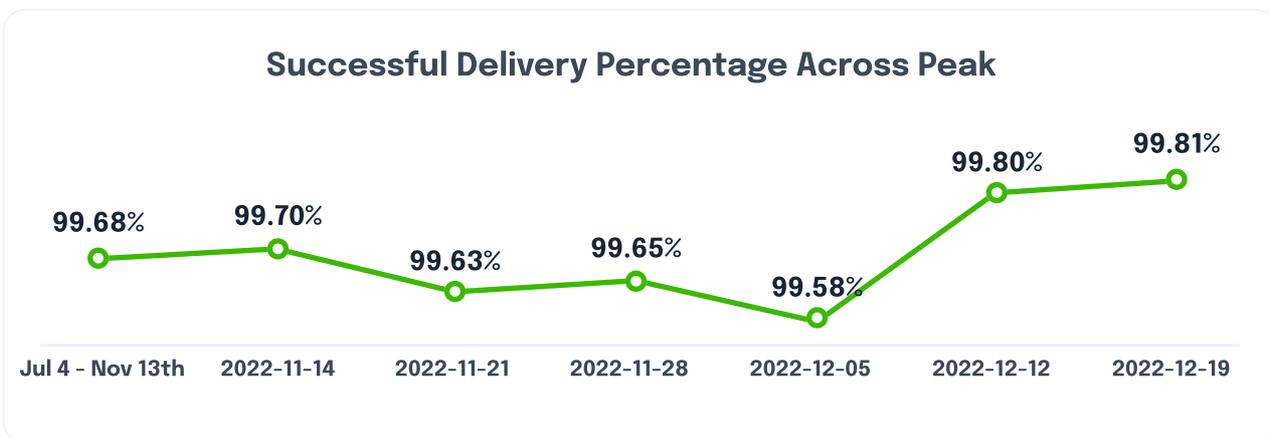


During the 2022 Peak Season (Nov 14 - Dec 2, 2022), Maergo delivered 93% of all packages on-time, with 70% of packages delivered in 2 business days or less.

The chart below shows Maergo’s on-time performance by week during Peak Season 2022. Maergo achieved 95% on-time performance for four of the six weeks. The week of 11/28/22 after Black Friday / Cyber Monday saw package volume increase to 205% of normal, and subsequently on-time performance dropped to 89% during this week as higher volumes resulted in bottlenecks with some final mile carriers. The week of 12/19/22 saw on-time performance drop to 86% as Maergo’s network was impacted by severe winter weather that caused operational delays with both our airline and final mile carriers in certain regions of the country.



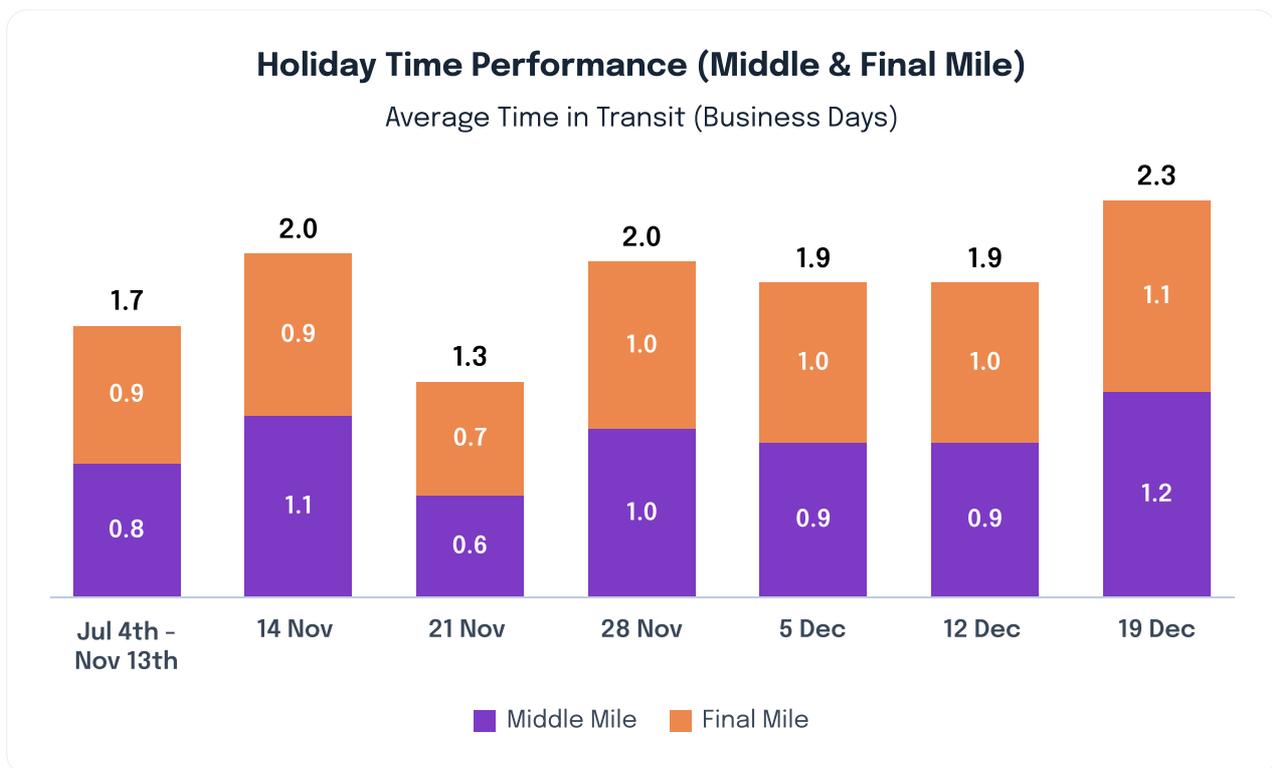
During Peak Season 2022, Maergo maintained a successful delivery performance rate of 99.7%, consistent with performance in the prior four and half months. Maergo defines unsuccessful deliveries as packages that were flagged as return to sender, package refused, bad address, location not secure, damaged, lost, improper packaging or held for pickup. Interestingly, successful delivery rates increased in the last two weeks of December, presumably as consumers were at home for the holidays and were more actively tracking their packages to make sure they were present to receive important Christmas/holiday gifts.



**When we look at the journey of one of our customer's packages, it can be broken down into 3 phases:**

1. First Mile (from the first scan at one of our sortation facilities to injection with our airline or linehaul partners)
2. Middle Mile (from the injection at Maergo's airline / linehaul partners to the injection at the last mile delivery partner)
3. Final Mile (from the injection at the final mile carrier to successful delivery to the end customer).

**The following chart shows the breakdown of Maergo's network performance during Peak Season 2022 for the middle and final mile phases of the package journey:**



During the 2022 holidays, the average time for both the middle and final mile phases of delivery increased from 1.7 days in the four and half months prior to Peak to 1.9 days during the 6 weeks of Peak. Excluding the week of 12/19/22, when severe winter storms created operational issues for some airline partners and slowed down final mile deliveries in certain regions of the country, the average time for a package to move in the final mile stayed consistent at 0.9 business days while the time taken to complete the middle mile portion of the journey rose from a baseline of 0.8 to 0.9 business days during Peak.

Our customers were very happy with our performance during Peak 2022 and provided us with their feedback:

“ Working with Maergo is like having our own shipping fleet. I always say "lack of communication is the mother of most problems, if not all" and "communication is the bridge between strategy and implementation". You nail both! Thanks for your work. It was great planning the peak with you and also mitigating a couple of exciting moments when no one was expecting”

**BUCK MASON**

**Arsen Dzhanikyan**  
VP of Operations

“ Built has been very pleased with Maergo and specifically with the efforts of their customer success team during peak season. They showed exceptional effort to ensure that our operation ran smoothly. We appreciate their commitment, passion, and dedication to our success. Throughout peak season, Maergo kept us well informed and updated on any delays that they foresaw. Overall it was a great experience.”

**BUILT**

**Steve Williams**  
Director of Supply Chain

To learn more about how to optimize your shipping during Peak 2023, connect with us at <https://maergo.com/get-in-touch/>



Maergo is a first-of-its-kind parcel delivery platform purpose-built for the branded direct-to-consumer ecommerce delivery using modern technology and advanced data capabilities. The result is a national service that is disrupting the incumbent carriers and empowering retail brands to increase sales and customer satisfaction.