

CUSTOMER ADVISORY

COVID-19 (Coronavirus) – Greater Asia Update

March 17, 2020

DEAR VALUED CUSTOMER,

We outlined in our most recent [Greater Asia Advisory \(March 13\)](#) that operations in mainland China are returning to normal. Based on our observations and what has been reported through various industry sources, we would like to offer some insight into the current production status in China:

- Factory productivity is currently about 60%-80%, primarily as a result of a constrained raw material supply;
- Raw material factories are largely back online, but currently working to complete backlog orders;
- Production line factory labor has returned to approximately 80% in North China, but is lower in South China; and
- We anticipate the raw material supply to normalize by the end of March.

Please reach out to your KAM and customer support team to discuss PO status and visibility for your current cargo and other planning needs as the COVID-19 situation particularly intensifies in Europe and North America.

By way of updating information provided in our previous Advisories:

- **Singapore:** Singapore has implemented [additional precautionary measures](#) to further reduce the risk of importation of cases over the weekend. Our offices are now operating on a split home/office workforce and warehouse operations continue with no disruption.
- **Philippines:** The Philippines Government announced the implementation of ["enhanced community quarantine"](#) for the entire island of Luzon (extended from metro Manila), effective March 16, 2020 until April 13, subject to daily review. Strict home quarantine is to be observed by all except for frontline services such as border control, which are to maintain a skeletal workforce. There is no public transportation. Import, export and domestic cargo will continue to flow, but delays are expected. Manila North Port, for example, has advised of service delays as a result of employees' inability to report to work. All APLL office employees in Manila will be working from home until further direction from the

government. Our CFS is operational, but disruptions are anticipated as the closure of public transportation may impact staffing and cargo document flow. We will monitor the situation closely and update impacted customers as necessary.

- **Malaysia:** On March 16, 2020, Malaysia announced a strict movement control order which includes closure of all business premises except those providing “essential services”. The order will be enforced from March 18 until March 31, and all staff in our Malaysia offices will be required to work-from-home. As of the date of this Advisory, ports, trucking and related CFS activities will continue to operate as normal. The situation is very fluid with additional information and clarifications continuing to come in. We will update as necessary and communicate directly with any impacted customers.

We are monitoring the situation closely in other parts of Greater Asia, and some of the offices in our ASEAN countries have started to implement split home/office workforce as part of BCP readiness.

We will continue to provide updates as necessary. As always, information regarding the COVID-19, including Q&A, online training, technical guidelines, preventative measures, travel guidance, etc. can be found on the WHO website:

<https://www.who.int/health-topics/coronavirus>, and we encourage you to reference local health authorities and guidelines in your area.

Sincerely,
APL Logistics

For more
information,
contact your
APL Logistics
Account
Manager.
