

APL Logistics

Adapting New Solutions Catered To
Changing Materials Flow Landscape

Ho Chi Minh, Vietnam

September 2024

NAVIGATING THE NEW NORMAL



A member of the **KWE** Group

AGENDA

08:45 – 09:15

Registration

09:15 – 09:20

Opening, Safety Briefing and Introduction
Kha Huynh – Business Development Manager

09:20 – 09:30

An Overview of Vietnam Economy
Alexer Yap – Managing Director of APL Logistics Vietnam, Cambodia, Myanmar

09:30 – 09:40

Trends and Innovations in Global Logistics
Azfar Khan – Regional Vice President, Southeast Asia, APL Logistics

09:40 – 09:50

Vendor Collaboration & Solutions
Emily Zhang – Director, Product Development (Asia)

09:50 – 10:15

Panel discussion
Special Guests from Factories and APL Logistics Leadership

10:15 – 10:35

Coffee Break

10:35 – 10:40

Factory Challenges Summary
Kelly Thuy – Vietnam Head of Customer Service

10:40 – 11:40

APL Logistics Introduction, Solutions and Showcases
Kelly Thuy – Vietnam Head of Customer Service
Oliver Bach – Vietnam Head of Operation
Justin Thien – South Vietnam Customer Service Manager
Hannah Ha – Vietnam Head of Transportation

11:40 – 11:50

“Your Feedback Matters”
Kelly Thuy – Vietnam Head of Customer Service

11:50 – 12:00

Quiz
Kha Huynh – Business Development Manager

12:00 – 12:05

Closing and take away
Kha Huynh – Business Development Manager

12:05 – 14:00

Lunch and Networking

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APL Logistics

An Overview of Vietnam Economy

Alexer Yap
Vietnam, Cambodia, Myanmar Managing Director



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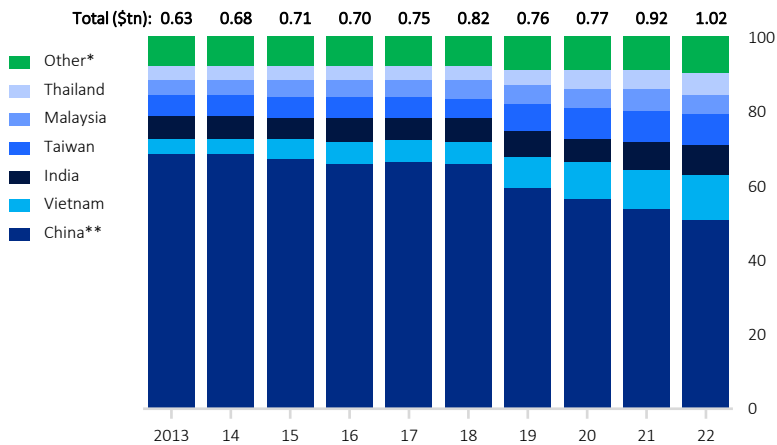
“ While the US is an important export market, China remains the main source of essential raw material imports needed to fuel Vietnam’s export-oriented growth EIU 2023

1 Benefiting from China +1

- Stable FDI & PMI
- Slowdown from demand markets
- RCEP boon for Vietnam

US is importing more from other low-cost Asian countries at China’s expense

Breakdown of imports from Asian low-cost countries (%)



*Includes Philippines, Indonesia, Pakistan, Sri Lanka, Bangladesh, Singapore and Cambodia

** Includes US imports from Hong Kong

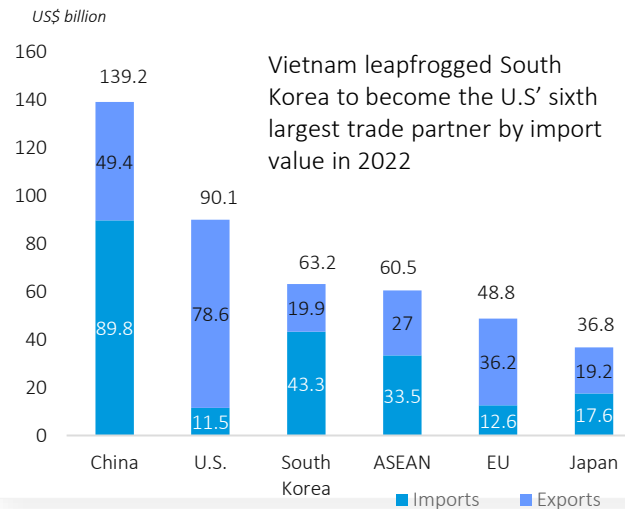
Source: Kearney Reshoring Index

©FT

2 Evolving trade dynamics.

- Biggest market share expansion in the US recorded
- Focus on the supply of materials, components for the energy, aviation, digital economy, semiconductor, and artificial intelligence sectors to the US market.
- Growth of trade relationship with China.

Vietnam’s trade with biggest partners during January-October 2023

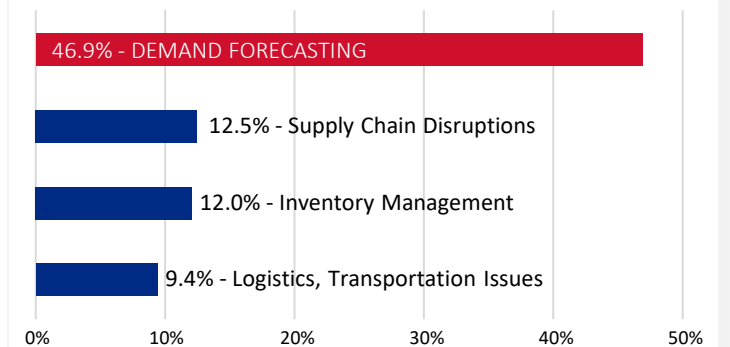


Vietnam leapfrogged South Korea to become the U.S.’ sixth largest trade partner by import value in 2022

3 Increasing Logistics cost due to capacity Issue

- Trucking cost from North to South (2.2k\$) is equivalent to Freight from VN to US.
- Vietnam is a prominent destination for supply chain relocation, but it is already approaching the upper limits of the capacity transfer (Vietnam’s 2.6% unemployment rate in 2022 is less than half of Asia Pacific’s 5.7%).

2023 Challenges Faced



Foreign investment in Vietnam surged to US\$9.27 billion, marking a 4.5 percent increase over the previous year, according to the General Statistics Office (GSO). The country received an estimated US\$6.28 billion in FDI during Jan-April of this year, marking the highest level in the past five years.

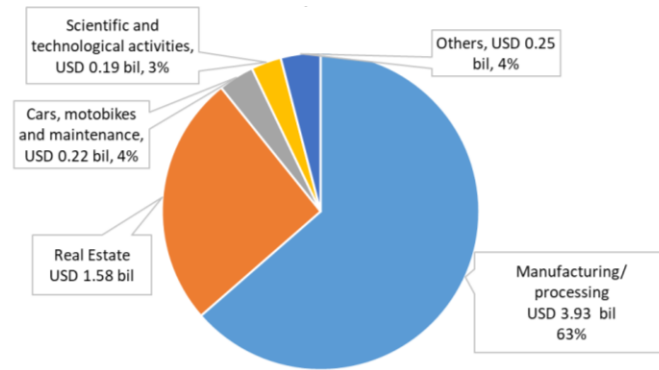
Dezan Shira and Associates

4 Evolving & Upgraded Manufacturing...

- Manufacturing and Processing biggest vertical focus for FDI
- Exports growth in computers, electrical products and parts.
- Still export surplus at 8.7%

FDI by Verticals

Breakdown of FDI as of Q1 2024



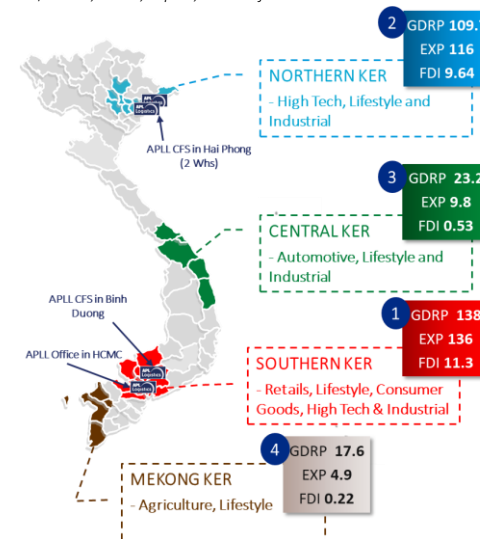
Source: Ministry of Planning and Investment

5 Division by sub-region...

- Growth across all verticals with differentiation across sub-regions. 4 KERs: Southern, Central, Southern, Mekong
- South still attracting the higher FDI share followed by North.

Vietnam's 2022 FDI by 4 KERs

US\$ billion, GDRP, Export, FDI as of FY 2022.

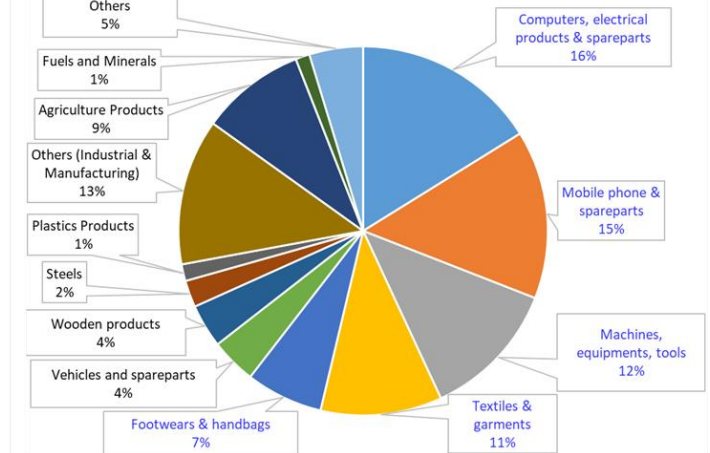


Source: VN General Statistics Office, ADB Outlook as of April 2024

6 Exports driven by FTAs and Diversification...

- 16 FTAs with more than 60 countries; 3 FTAs are under negotiation. Surplus at 8.7% in 2023
- Top Export Destinations are US, China & EU
- Top Import Origin Countries are from China, Korea and ASEAN.

VN Export Commodity 2023



ECONOMIC GROWTH – VIETNAM

Forecasts remain robust compared to ASEAN neighbors

GDP % Growth	2019	2020	2021	2022	2023	F2024	F2025
Southeast Asia	4.7	-3.2	3.6	5.7	4.1	4.6	4.7
Philippines	6.1	-9.5	5.7	7.6	5.6	6.0	6.2
Vietnam	7.4	2.9	2.6	8.0	5.0	6.0	6.2
Cambodia	7.1	-3.1	3.0	5.2	5.0	5.8	6.0
Indonesia	5.0	-2.1	3.7	5.3	5.0	5.0	5.0
Malaysia	4.4	-5.5	3.3	8.7	3.7	4.5	4.6
Laos	4.7	-0.5	2.3	2.5	3.7	4.0	4.0
Brunei	3.9	1.1	-1.6	-1.6	1.4	3.7	2.8
Timor-Leste	2.0	-8.3	2.9	4.0	1.9	3.4	4.1
Thailand	2.1	-6.1	1.6	2.5	1.9	2.6	3.0
Singapore	1.3	-3.9	9.7	3.8	1.1	2.4	2.6
Myanmar	6.8	3.2	-5.9	2.4	0.8	1.2	2.2



- New FDI in H1 2024 = US\$9.54 billion, increased in value by 47% compared to PY (19% increase in total projects)
 - Bac Ninh Province is top FDI destination, US\$2.58 billion
 - Ba Ria – Vung Tau Province followed closely with US\$1.54 billion
- Manufacturing/processing, real estate, and wholesale/retail attracted the most investments

SOUTH AND NORTH REMAIN MAIN GROWTH ENABLERS WITH LOGISTICS NEEDS FOCUSING ON MANUFACTURING.

Regional Developments

US\$ billion, GDRP, Export, FDI as of FY 2022.

Northern:

GDP: US\$ 109.7
 Exports: US\$ 116.1
 FDI: US\$ 9.64
 Key Verticals: High tech, Retail and Industrial.

Central:

GDP: US\$ 23.2
 Exports: US\$ 9.8
 FDI: US\$ 0.53
 Key Verticals: Automotive, Retail and Industrial.

Southern:

GDP: US\$ 138
 Exports: US\$ 136.2
 FDI: US\$ 11.28
 Key Verticals: Retail, Consumer Goods, High tech & Industrial.

Mekong:

GDP: US\$ 17.6
 Exports: US\$ 4.9
 FDI: US\$ 0.22
 Key Verticals: Agriculture & Retail.

Logistics Needs

Northern:

- Cross Border Trucking from/to China.
- Warehousing & Flow Centers.
- Inland Transportation.
- Domestic Sea.

Central:

- Domestic Sea.
- Inland Transportation.

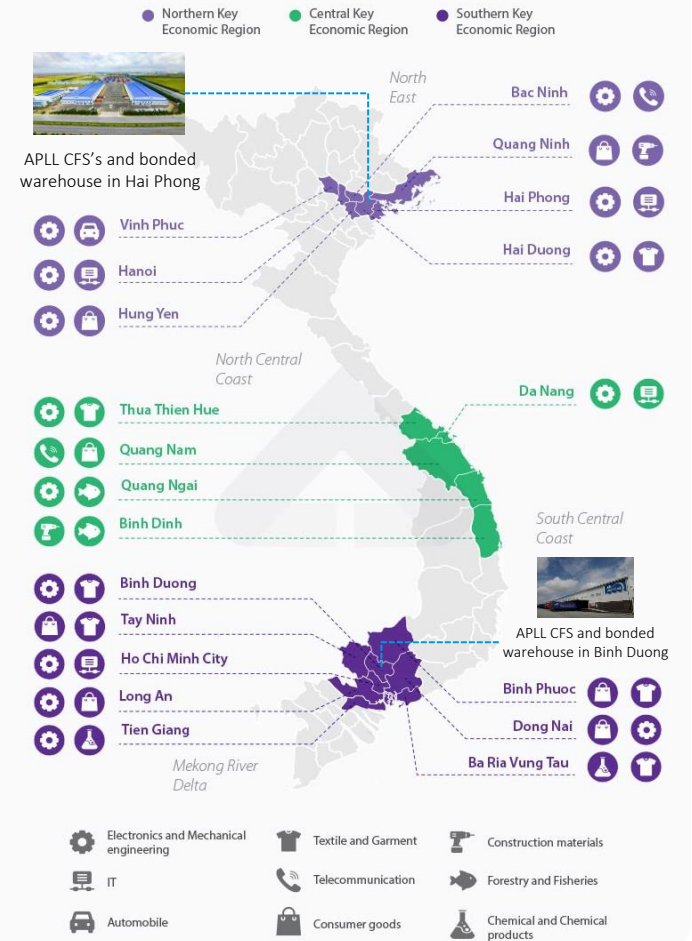
Southern:

- Cross Border Trucking various.
- Warehousing & Flow Center.
- Inland Transportation.
- Domestic Sea.

Mekong:

- Inland Transportation

Vietnam's Key Economic Regions



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Trends and Innovations in Global Logistics

Azfar Khan
Regional Vice President, APL Logistics Southeast Asia



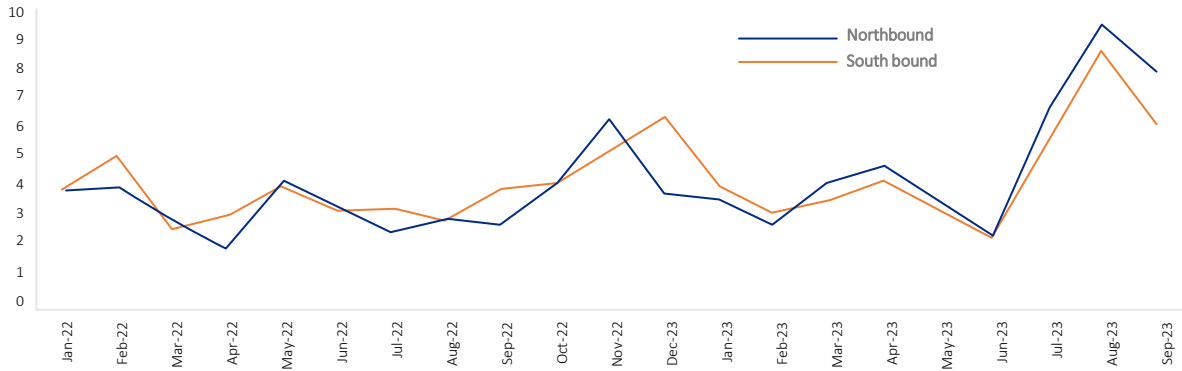
A member of the **KWE** Group

2024 SUPPLY CHAIN AS STRATEGY

"Companies looking to establish resilience in the wake of the pandemic already are putting rebuilt sourcing and logistics strategies to work" - Wall Street Journal 2024



Average waiting time before crossing the Panama Canal, 2022-23 to date (days)



As of Oct. 30, 2023.
Source: Panama Canal Authority.

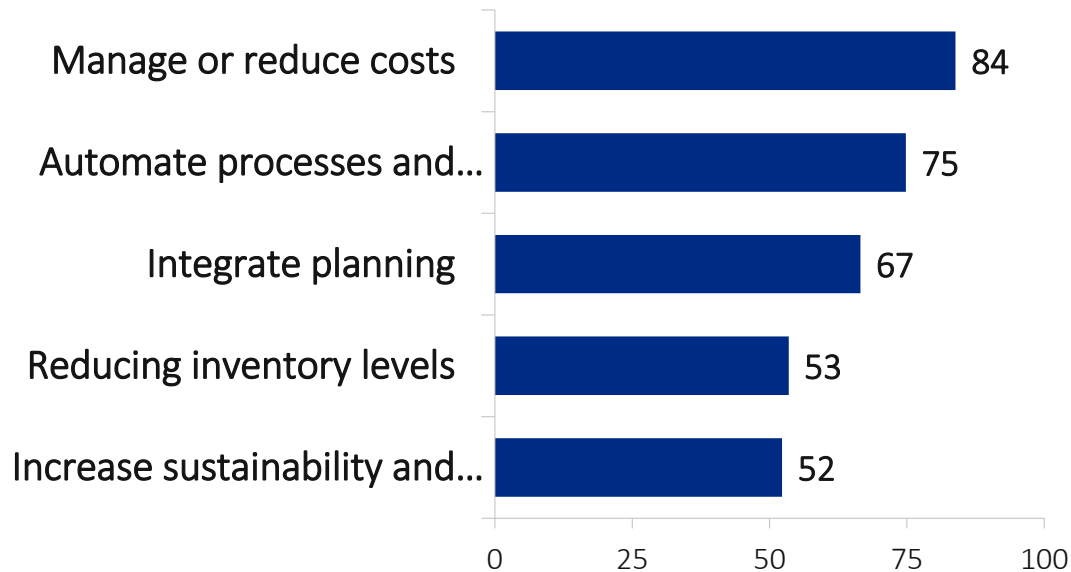
LOGISTICS AS A STRATEGY,
INCREASED VISIBILITY
NEW DISRUPTIONS

SUSTAINABILITY & ESG

“YEAR OF EFFICIENCY”

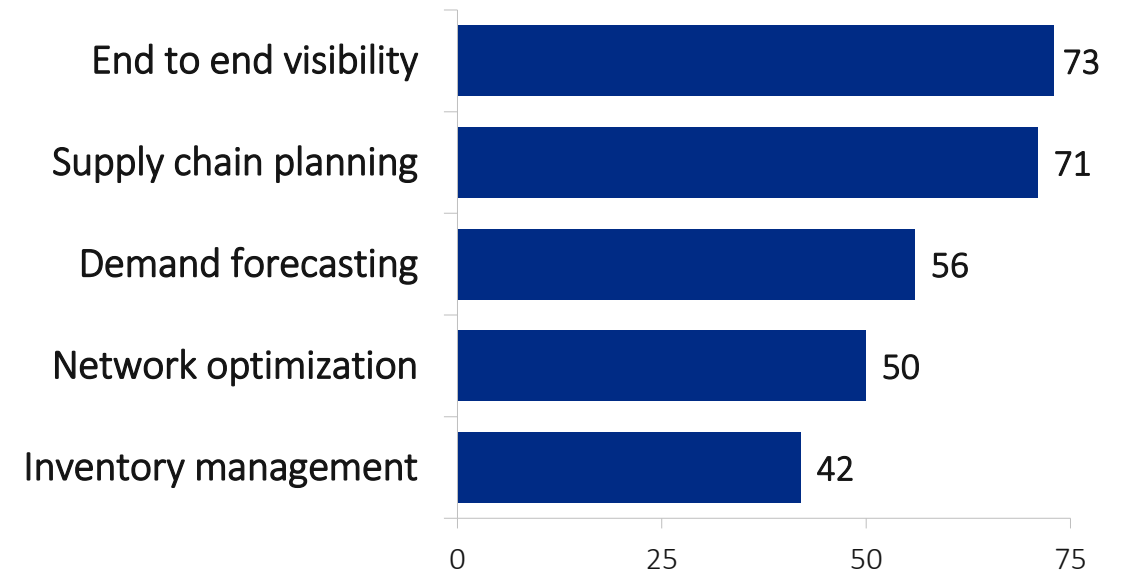
Top operational priorities

What are your top operational priorities for the next 12 – 18 months?



Solutions you want to invest in

What are the solutions you have allocated a budget for and plan to implement/upgrade in 2023?



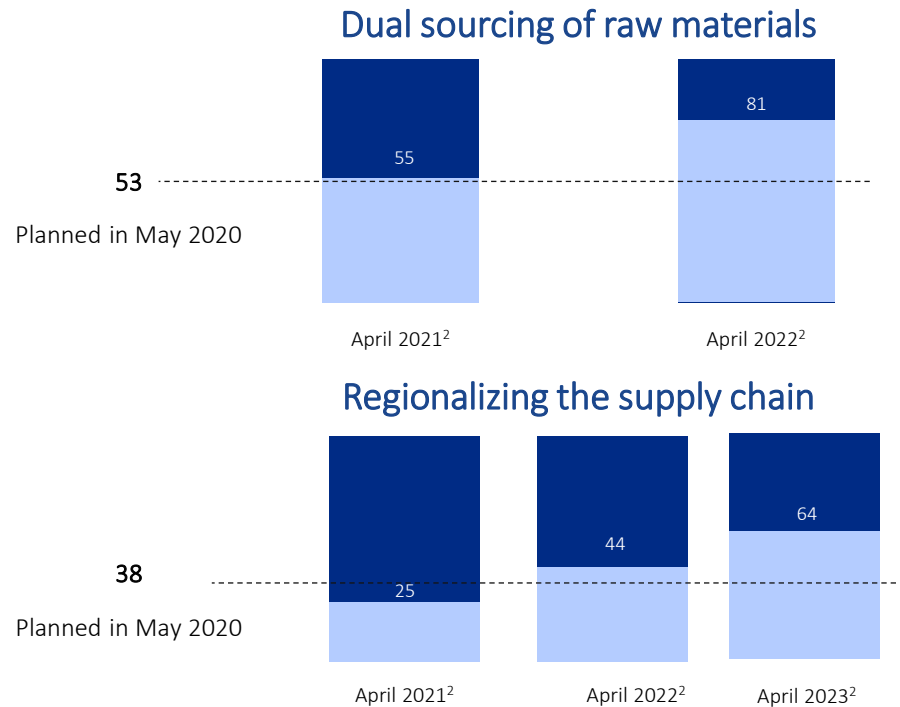
[A Look at Supply Chain Priorities 2023: According to the Industry \(alcottglobal.com\)](#)

FOCUS ON RESILIENCE

INVENTORY MANAGEMENT AND SOURCING STRATEGIES

While higher inventories and dual-sourcing strategies are the most common supply chain resilience measures, regionalization is gaining momentum

Supply chain change implementation, 1% of respondents (n=113)



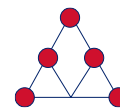
<https://www.mckinsey.com/capabilities/operations/our-insights/taking-the-pulse-of-shifting-supply-chains>



In 2023 63 percent of respondents - **ensure resilience while reducing inventories**



Dual Sourcing Strategies: 81 percent of respondents say that they have implemented

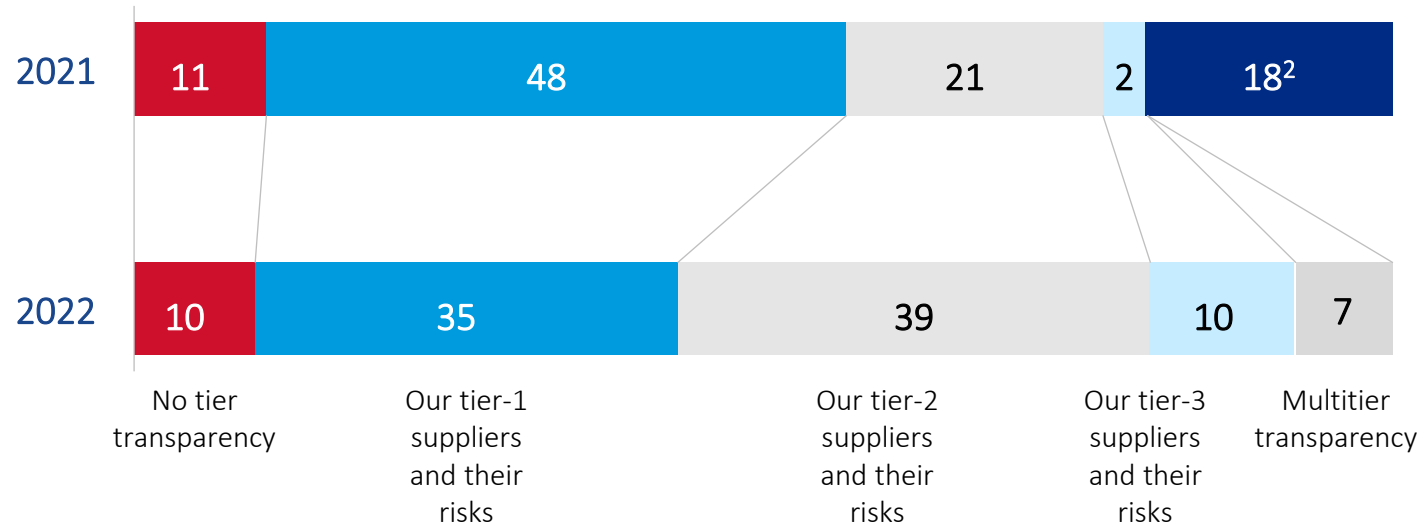


Regional Networks: In 2023, 64 percent of respondents say they are developing **regionalized supply networks**

VISIBILITY INTO DEEPER SUPPLY CHAIN TIERS

Most companies still have limited visibility into deeper supply chain tiers

Global supply chain leaders' visibility into supply chain tiers,¹% of respondents (n = 113)



RAW MATERIAL SHORTAGE

- Risk remains a priority
- No visibility into their upstream supply chain or that they can see only as far as their first-tier suppliers

<https://www.mckinsey.com/capabilities/operations/our-insights/taking-the-pulse-of-shifting-supply-chains>

SEA: LOGISTICS TRENDS & OUR FOCUS



Manufacturing diversification gained momentum to diversify and minimize risk (China +1)

- Footprint expansion/modernization
- Vendor Support
- Raw Material Logistics



Logistics needs are growing rapidly to capture new manufacturing location and end markets (Intra SEA Growth)

- Domestic Solutions driven by shared economy models
- Cross Border Trucking



Building **resilience** and a **sustainable** supply chain (Uncertainty is the new normal)

- Solutions Consulting
- International Hubs to support efficiency
- Focus on sustainability



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Vendor Collaboration & Solutions

Emily Zhang
Director, Product Development (Asia)



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WORKING TOWARDS THE SAME GOALS

To be successful we have
to expect the unexpected

Strong planning and execution
increases likelihood of success

Getting the right product to the right place at the right time – in the most sustainable way, and at the best possible cost...



CUSTOMER VALUE CREATION

**DEEP LOCAL AND
GLOBAL LOGISTICS
EXPERTISE |**

**INVESTMENTS IN
TECHNOLOGY
INNOVATION**

OUR FOCUS

Solutions designed to enable financial benefits in your business:



Enable order flow management across all process stages. Ability to **flow products based on demand/need**



Ship fewer containers, less air freight. Reduce D&D. **Improve overall logistics cost. Reduce emissions**



Enhance **end-to-end order level visibility**. Establish responsive, agile process execution



Reduce overall lead-time/time-to-market. Reduce inventory. Improve your working capital



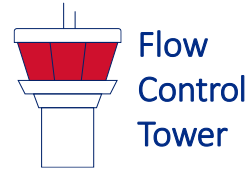
Automate data points. Foster **digitized** connectivity and automation among all players.
Actionable data points



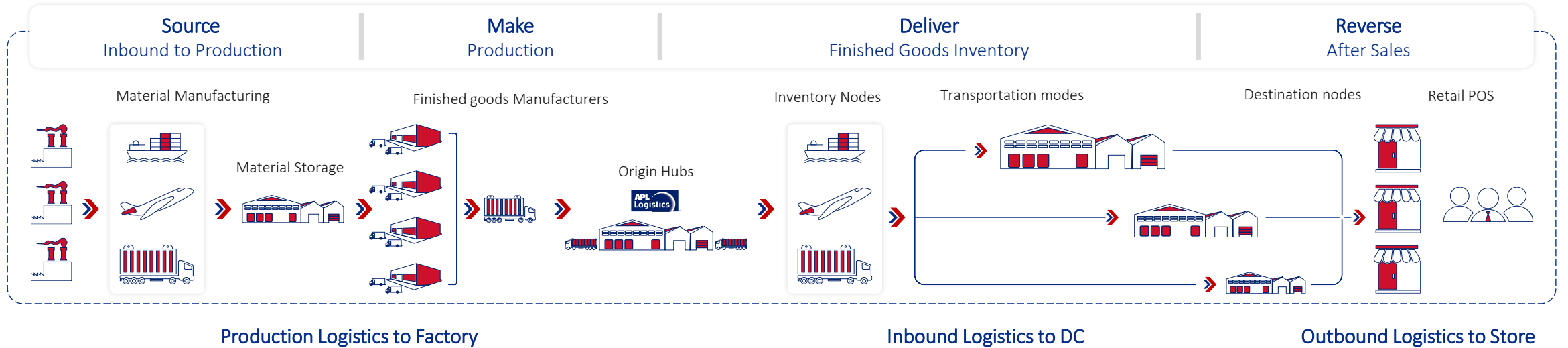
Active engagement of suppliers, carriers, other partners across all operating locations to foster responsiveness

ORCHESTRATING PRODUCT FLOWS THROUGH OMS

OPTIMAL PRODUCT FLOW MODELS REDUCING LEADING TIME, COSTS AND GHG EMISSIONS

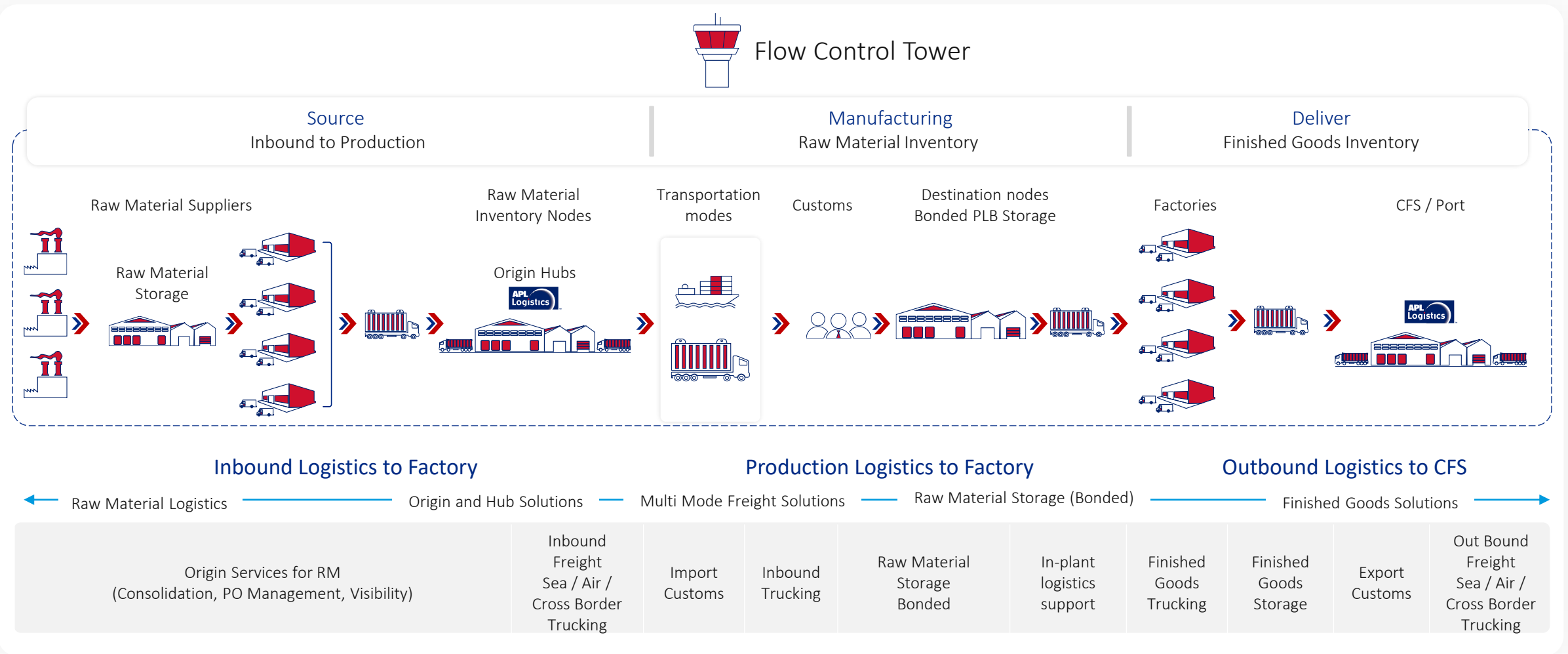


Flow
Control
Tower



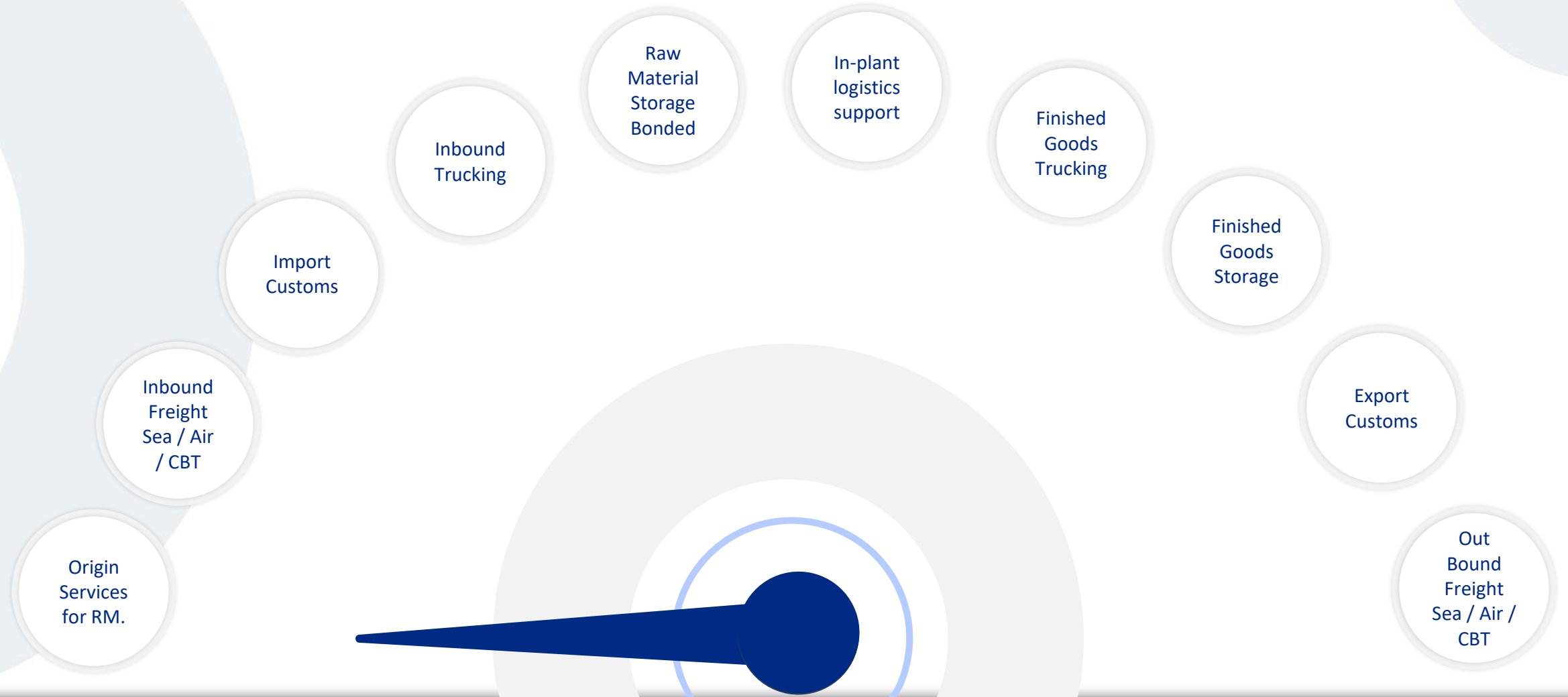
ORCHESTRATING PRODUCT FLOWS THROUGH OMS

OPTIMAL PRODUCT FLOW MODELS REDUCING LEADING TIME, COSTS



PRODUCT LANDSCAPE FOR VENDOR LOGISTICS

THE RIGHT PRODUCT FOR THE RIGHT TIME TO CREATE RESILIANCE



DIGITAL CUSTOMER EXPERIENCE

Proprietary digital platform
for order lifecycle planning, workflows &
execution, real-time visibility & analytics



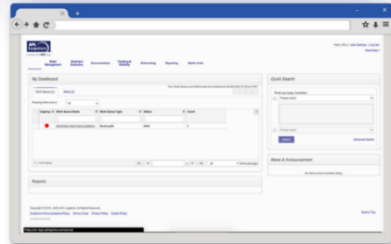
Open architecture
Flexible, effective integration and
collaboration between our customers and
their trading partners

MODELING



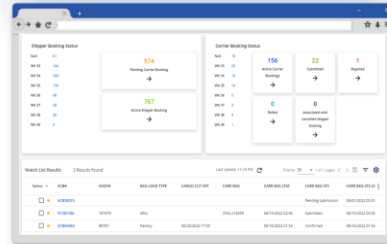
Advanced Modeling leveraging AI and ML at multiple stages of the order lifecycle to predict and control the success rate of the order. Validation, Forecasting, Simulation of order planning

VENDOR COLLABORATION



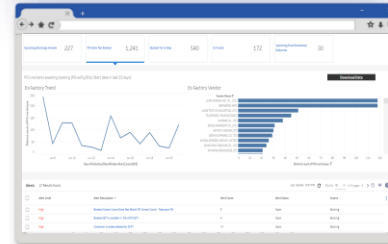
Vendor-facing Workflow Module for PO Confirmation, Production Status, Booking, eDocs Creation, Shipment Doc Mgmt., Barcode Label Creation, Container Load Plan

TRANSPORT MANAGEMENT



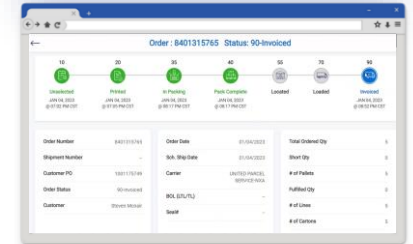
Core Execution Engine for Shipment Planning & Allocation, Routing, Load Optimization, Carrier Workflows, Delivery Scheduling, Disruption Mgmt.

VISIBILITY & ANALYTICS



Customer-facing PO/Part level exceptions-based lifecycle visibility. Map View. Trip Plan. Operational Reporting. Analytics and BI. Workflow & Case Mgmt. Repository for Docs, SOPs

INVENTORY MANAGEMENT



Inventory Visibility & Workflow for DC Inbound Planning, Inventory Status, Outbound Visibility, Exception Workflows

NEW LSS VC UPGRADES TO ENHANCED USER EXPERIENCE (1/2)

Our LSS VC system has undergone several enhancements over the past year, aimed at streamlining your operations. Many of these improvements were driven by our shippers' valuable feedback, which we carefully analyzed and incorporated into the system.

Booking Revision – go live Jan'23

Feature: Allows shippers to revise booking in the LSS VC, without needing to cancel or rebook.

Benefits: Flexibility in adjustments, Convenience and Efficiency, and reduces email communication

1. Search out booking with booking status as Pending Authorization or Authorized, click pencil icon

Note:
A. You will get error message if this booking already be used for downstream operation

2. Perform the update for this booking

3. Click 'Update', booking status will change to 'Open for Revision'

Container Load Details (CLD) Excel Upload – go live Mar'24

Feature: Allows downloading of excel template for ease of info update and upload into LSS VC.

Benefits: Time efficiency, Ease of use, Scalability, Standardization of Data

NEW LSS VC UPGRADES TO ENHANCED USER EXPERIENCE (2/2)

Document Mass View and Mass Download —go live Aug'24.

Feature: Allows multiple transaction per view and per download function

Benefits: Increased efficiency and accuracy, Time savings, Faster processing

Document Mass View

Search result

Search Results

Actions	Transaction Num.:	Booking Number
<input checked="" type="checkbox"/>	40168596	
<input checked="" type="checkbox"/>	40168752	
<input checked="" type="checkbox"/>	40168746	

Maximum of 10 bookings can be selected for mass download.

Actions

- Single Upload
- Multi Upload
- Mass View
- Mass Download

View Details

Customer: SAMPLE FOR TESTING - CHINA - BP_SAMPLE
Country of Origin: CHINA - CN
Consignee: SAMPLE FOR TESTING - BP_SAMPLE
Final Document Status: ALL RECEIVED - RECV
Reference Number: 818268

Documents Required

Actions	Document Type	Reference Number	No. of Originals	No. of Copies	No. of Scans	Uploaded Col.:	Ver
<input checked="" type="checkbox"/>	CO - COMMERCIAL INVOICE	40168746	0	0	1	1	0
<input checked="" type="checkbox"/>	CO - CERTIFICATE OF ORL	40168746	0	0	1	1	0
<input checked="" type="checkbox"/>	AD - AGENT'S COMMERCIAL	40168746	0	0	1	1	0
<input checked="" type="checkbox"/>	PL - PACKING LIST	40168746	0	0	1	1	0

Document Mass Download

Search result

Search Results

Actions	Transaction Num.:	Booking Number	Reference Type	Final Document Status	Customer
<input checked="" type="checkbox"/>	40168596		BKG TRANSACTION NBR - ETN	RECEIVED - RECV	BP_SAMPLE
<input checked="" type="checkbox"/>	40168752		BKG TRANSACTION NBR - ETN	RECEIVED - RECV	BP_SAMPLE
<input checked="" type="checkbox"/>	40168746		BKG TRANSACTION NBR - ETN	RECEIVED - RECV	BP_SAMPLE

Maximum of 10 bookings can be selected for mass download.

Actions

- Single Upload
- Multi Upload
- Mass View
- Mass Download

What do you want to do with BKG_457756_2024...

Open Save as

What do you want to do with BKG_457450_2024...

Open Save as

What do you want to do with BKG_457450_2024...

Open Save as

LSS VC USER INTERFACE UPGRADE

We will be launching an upgraded LSS VC User Interface (UI). A fresh experience with a different interface designed to use.

Benefits

- Enhanced user experience
 - Streamlined navigation
 - Modern design
- Improved usability to provide seamless access across modules in LSS VC Platform – e.g. Booking, PO, Document Management

What to expect

Launch Timeline: Estimated Q4'24. Stay tuned for more details as we approach the launch timeline.

Training & Support: Online training materials – includes slides and tutorial guides will be available later to help you transition smoothly

ASIA DIGITAL ADOPTION RATE

High digital adoption across LSS VC key features

Online Booking

- Implemented: Years ago
- Adoption Rate (SEA): 96%
- “A mature feature with near-universal adoption for SEA shipments”

Online Container Load Details (CLD)

- Deployed: 2023
- Enhanced: 2024 (Excel Upload)
- Adoption Rate (SEA): 85%
- “Recent enhancement has driven strong uptake among shippers”

Online Forwarder Cargo Receipt (FCR) Amendment

- Deployed: 2023
- Adoption Rate (SEA): 87%
- “Steady growth in adoption, reflecting its value to shippers”

Our digital tools are increasingly embraced by shippers across Asia, demonstrating the effectiveness of our enhancements and commitment to streamlining logistics operations.

THANK YOU!

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Panel discussion



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PANEL DISCUSSION

Ms. Kathy Lee
Operation Director,
VIETNAM FURNITURE RESOURCES COMPANY LIMITED

Ms. Mi Truong
Director Operations Vietnam,
OPSEC SECURITY VIETNAM COMPANY LIMITED

Ms. Trang Nguyen
Logistics Manager
FASHION GARMENTS 2 CO., LTD

Mr. Azfar Khan
Regional Vice President,
APL LOGISTICS (SOUTHEAST ASIA)

Ms. Emily Zhang
Director of Product Development,
APL LOGISTICS (ASIA)

COFFEE BREAK



APL LOGISTICS AT A GLANCE



A member of the **KWE** Group

- Leading Asia-based logistics provider
- More than 40 years of experience in partnering with the world's largest brands across industries
- In-house expertise in all key operating locations in Asia, EMEA and The Americas
- Part of the Kintetsu World Express (KWE) Group. Headquartered in Singapore.

EIGHT MILLION POS HANDLED

750K+ TEU OF SEA FREIGHT

566 K TONS OF AIR FREIGHT

25MM+ CBM WAREHOUSE VOLUME



~ 17,000 PROFESSIONALS

MORE THAN 60 COUNTRIES

120+ SERVICE LOCATIONS

<p>NORTH AMERICA Scottsdale, Arizona USA 3 countries 9 offices and agents</p>	<p>LATIN AMERICA Miami, Florida USA 16 countries 25 offices and agents</p>	<p>EUROPE Hamburg, Germany 9 countries 20 offices and agents</p>	<p>MIDDLE EAST & AFRICA Dubai, United Arab Emirates 18 countries 20 offices and agents</p>	<p>NORTH ASIA Shanghai, China 9 countries 20 offices and agents</p>	<p>SOUTH ASIA Mumbai, India 4 countries 13 offices and agents</p>	<p>SOUTH EAST ASIA Singapore 11 countries 19 offices and agents</p>
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APL Logistics Introduction, Solutions and Showcases

Kelly Thuy – Vietnam Head of Customer Service
Oliver Bach – Vietnam Head of Operation
Justin Thien – South Vietnam Customer Service Manager
Hannah Ha – Vietnam Head of Transportation



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FACTORY CHALLENGES

Insufficient Raw
Material

Production
Delay

Tight time for
Order Raw
Material

Warehouse
capacity Full

Vessel delay

Space Issue

Container Issue

High Penalty
Cost

High Logistics
Cost



Solution?

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APL LOGISTICS VIETNAM

Established in **1995**



Order Management & International Freight Services



 130 staffs (*)
  +1,000,000 POs
 +76,000 FEUs

CFS and Warehousing Services



 3 Facilities
 62,500 Sqms
  +4,000,000 CBMs (**)

Our Areas of Expertise



Retail

Consumer



Industrials

Automotive

Customs Brokerage



 54,000 entries

Transportation



 500+ Trucks & Prime movers
  40,000 shipments

Our Advantages



C-TPAT Standards
On-site Customs Officers

(*) not included > 350 outsourced staffs

(**) 2023 through-put volume

APLL VIETNAM ORGANIZATION CHART

Azfar Khan
Regional Vice President
SEA Region

Alexer Yap
Managing Director
Vietnam, Cambodia, Myanmar

Oliver Bach
Head of Operations
Vietnam

Kelly Thuy
Head of Customer Service
Vietnam

Hannah Ha
Head of Transportation
Vietnam

Tuan Nguyen
Branch Manager
Haiphong

Nguyen, Lisa Huyen
Business Development
Manager

Daniel Dinh
Ops Manager, HCM

Justin Thien
South Vietnam CS Manager

Huy Trinh
Ops Manager, HPH

Katherine Nhung
North Vietnam CS Manager

Huynh, Kha
Business Development
Manager

Peter Thanh
Procurement Manager, VN

Le, Chau
Vendor Logistics Supervisor


SHARED SERVICES


Jane Tu Finance Manager, VN

Mary Duong HR Manager, VN

Truyen Vu Regional IT Manager, VN

Ralph Huy SQ Manager, VN

 **130**
Total staffs

 **40%**
5+ Years

OUR SERVICES

Control Tower & Product Flow Management

- Order Planning
- Booking, Shipment, Documentation Management
- Vendor Management
- Carrier Management

Transportation Services

- Ocean
 - FCL Standard
 - LCL Standard
 - Ocean Guaranteed
- Air Freight
- Inland
 - Container drayage [Truck]
 - First Mile Pick-up
 - Last Mile Distribution
 - Domestic & Regional LTL/FTL
 - Cross-border Transportation
- Multi-Modal

Warehousing & Flow Centers

- Export Consolidation
- Store Level Pick/Pack/Ship
- Rework & Value-Added Services
 - Labelling/Re-packaging/Kitting/Sequencing/Light Sub-assembly
- Domestic & Regional Warehousing
- Deconsolidation & Cross Docking
- Product Storage
- Quality Inspection

Trade & Customs Compliance

- Customs Brokerage (Export, Import)
 - Documentation Management Control
 - Classification Management
 - Regulatory Compliance Management & Control

APL LOGISTICS VIETNAM CFS FACILITIES



		APL Logistics C-TPAT Vietnam	APL Logistics Customs on site Vietnam	APL Logistics Bonded Vietnam	APL Logistics DC Vietnam
 HPH CFS 1	Haiphong 10,000 sqm	✓	✓	✓	✓
 HPH CFS 2	Haiphong 5,500 sqm	✓	✓	✓	✓
 HCM CFS	Binh Duong 47,000 sqm	✓	✓	✓	✓

North Region: 2 Facilities

- Licensed for both of CFS and Bonded operations
- Both are located in close proximity facilities to serve as overflow or BCP, access to Highways
- Well situated in Haiphong:
 - HPH River port: 2 kms
 - HPH Deep sea port: 22 kms
 - HPH airport: 7 kms
 - HAN Airport: 135 kms

South Region: Single Largest Roof

- APLL operates the largest single-roof CFS facility in SE Asia
- 3 Licenses to provide General, CFS and Bonded services
- Access to adjacent facilities to serve as overflow or BCP
- Strategic location:
 - South key industrial zones: 7- 65 kms
 - SGN river ports/ICDs: 10 – 25 kms
 - Deep water port: 65 kms
 - HCM Airport: 25 kms

WAREHOUSING SERVICE CAPABILITY



FACILITIES

- Operating 62,000 sqms warehouse at strategic locations
- Licensed for CFS /Bonded/General with facility/campus
- Scalable capability
- 5S/SSE, C-TPAT and BCP



PEOPLE & EXPERIENCE

- 40% WH employees with APLL Vietnam over 10 years
- 25 years of expertise and industry experience in Vietnam



ADVANCED TECHNOLOGY

- Dock Scheduling Systems (DSS)
- WMS
- EDI Capability



WHAT WE BRING TO CUSTOMERS



Tailored solutions for each customer



Flexible pricing model to serve SMEs



Flexible leasing contract terms



Large selection of Value Added Service



Measurable service quality through KPI

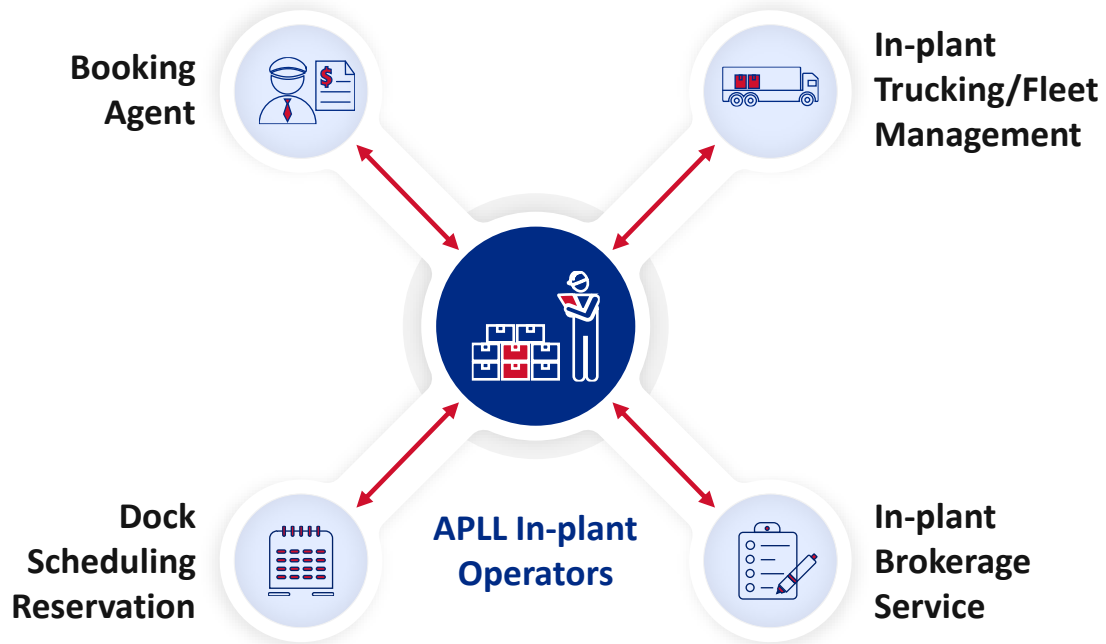


Regular Business Review and Updates



IN-PLANT OPERATION SERVICE

Create the Value-Added Service to support the factory



1 APLL Values

- Support daily logistics activities on-site at factory.
- Simplify and ease the communication channel between factory and APLL
- Coordinate and manage APLL service portfolio at factory site directly.
- Monitor and ensure service quality and continuous improvement

Our People

- Knowledgeable and experience operators in logistics industry
- Skillful and customer oriented
- Flexible and agile when solving problems

3 Pricing Model

- Flexible in pricing model and process.
- Transactional rates, fix headcount rates or Costs plus.

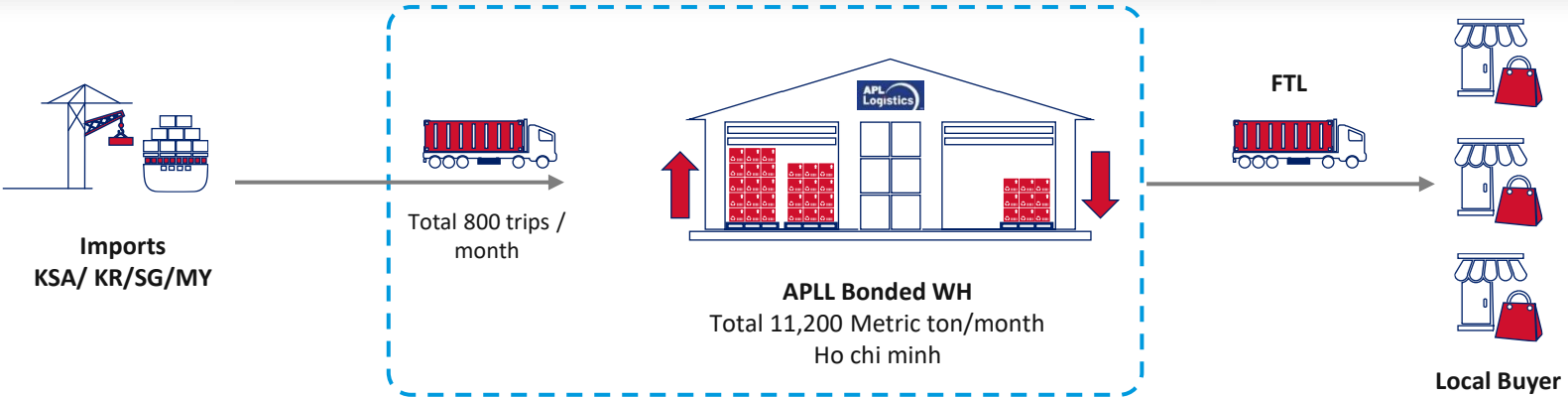
Our Systems

- LSS/ACSR
- DSS
- TMS/One Network
- VNACCS

CASE STUDY: RAW MATERIAL MANAGEMENT

Customer | Synopsis

APL Logistics provides domestic transportation & bonded warehouse services with greater reliability, cost efficiency and proven on time performance.



Customer Overview

- **Co. Overview:** Chemical manufacturing company
- **Vertical:** Industrial (polymers)
- **Services:** Bonded WH and DC
- Storage, trucking, Custom clearance.
- **Volume:** Storage: 11,200 metric tons/month; Domestic inland trucking: Total 800 trips/month

Challenges

- Shippers unable to meet cut off time for cargo delivery to warehouse.
- Customer's supply chain is designed as PUSH model.
- Limited space at factory facility
- Duty payment complications
- No legal entity in Vietnam

APL Logistics Solutions

- Facility / Warehouse is licensed for operating Bonded Warehouse transactions in advance.
- Providing the buffering stocks with deferred duty/tax payment for advanced orders from local end customers.
- Flexible solutions by fixed and variable space models
- Scalable spaces during peak period

BENEFITS

- The deferring of duty and tax payments:
- Estimated 15% cost savings from cost of (import tax delay)
- Long term storage options & proactive storage vs demand
- Deliveries on-time at 99.94%
- Inventory accuracy at 99.8%

OCEAN SERVICE VALUE DRIVERS



NETWORK FLEXIBILITY

- ✓ More than **60 countries**
- ✓ **120+** Service locations
- ✓ **17,000** Professionals

Our global network of carriers offers comprehensive global coverage and service options at the right cost with a focus on sustainability options.



VISIBILITY

We offer shipment-level visibility as a standard part of our service, to **ensure you know where your shipment is at anytime.**

You can effectively communicate shipment status with your stakeholders, mitigate potential disruptions, plan your inbound shipments, and continuously improve your supply chain performance.



REPORTING, DASHBOARD & ANALYTICS

Eliminate time-consuming reports with our robust reporting functionality, a standard component of our ocean services. You will **have full access to templates and customizable reports with scheduling options.**

Sample Reports:

- Booking
- Shipment in transit
- Container in transit
- Volume report

APL LOGISTICS OCEAN SERVICE SUITE



A member of the KWE Group

	Ocean Plus FCL ALL	Ocean Premium FCL TP, Asia-EU, LTAM	Ocean Guaranteed (OG) FCL TPEB	Ocean Guaranteed (OG) LCL TPEB & Canada*/Mexico**	Ocean Plus LCL ALL
TRADE LANE >	ALL	TP, Asia-EU, LTAM	TPEB	TPEB & Canada*/Mexico**	ALL
SERVICES INCLUDED					
Guaranteed Equipment >	●	✓	✓	✓	●
Guaranteed Loading >	●	✓	✓	✓	●
Last Mile >	●	●	✓	✓	●
Dedicated CS Team >	✓	✓	✓	✓	✓
Track and Trace >	✓	✓	✓	✓	✓
Milestone Visibility >	✓	✓	✓	✓	✓
Reporting >	✓	✓	✓	✓	✓
Dashboard Performance >	✓	✓	✓	✓	✓
Guaranteed Delivery Date >	●	●	✓	✓	●
ADD-ON SERVICES					
Manual Booking >	Option	Option	●	●	Option
Customs Filling: ISF, ENS, etc., >	Option	Option	Option	Option	Option
Import Customs Clearance >	Option	Option	Option	Option	Option
Export Customs Clearance >	Option	Option	Option	Option	Option
Cargo Insurance >	Option	Option	Option	Option	Option
Document Management >	Option	Option	Option	Option	Option
Delayed in Transit >	Option	●	●	●	●
First Mile >	Option	Option	Option	Option	Option
Transload >	Option	Option	Option	●	●
Last Mile Delivery	Option	Option	✓	✓	Option
EDI/API	Option	Option	Option	Option	Option
Enhanced Visibility >	Option	Option	Option	Option	Option
Customized Dashboard >	Option	Option	Option	Option	Option
Data Guaranteed >	Option	Option	Option	Option	Option

13 Asia origins to any US zip code and select locations in Mexico and Canada**

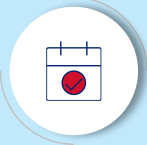
OG LCL: CANADA - Only Metro Vancouver, Montreal, Toronto. **OG LCL: MEXICO - Only Monterrey, San Luis Potosi, Guadalajara, Mexico City and Toluca.

● Gray circles indicate service is not available for that product.

OCEANGUARANTEED™ OFFERS (FCL & LCL)



A member of the **KWE** Group



DAY-DEFINITE DELIVERY – Faster transits with day-definite door delivery, **up to 30%** faster than standard Ocean/Intermodal moves.



COST ADVANTAGE – Rates quoted port-to-door versus air rates quoted airport-to-airport. Up to **80% less expensive** than air freight



GUARANTEED SPACE & EQUIPMENT – Even during peak season, we offer a 20% refund if your shipment arrives late



CUSTOMER SUPPORT – Dedicated customer support team in Asia and North America



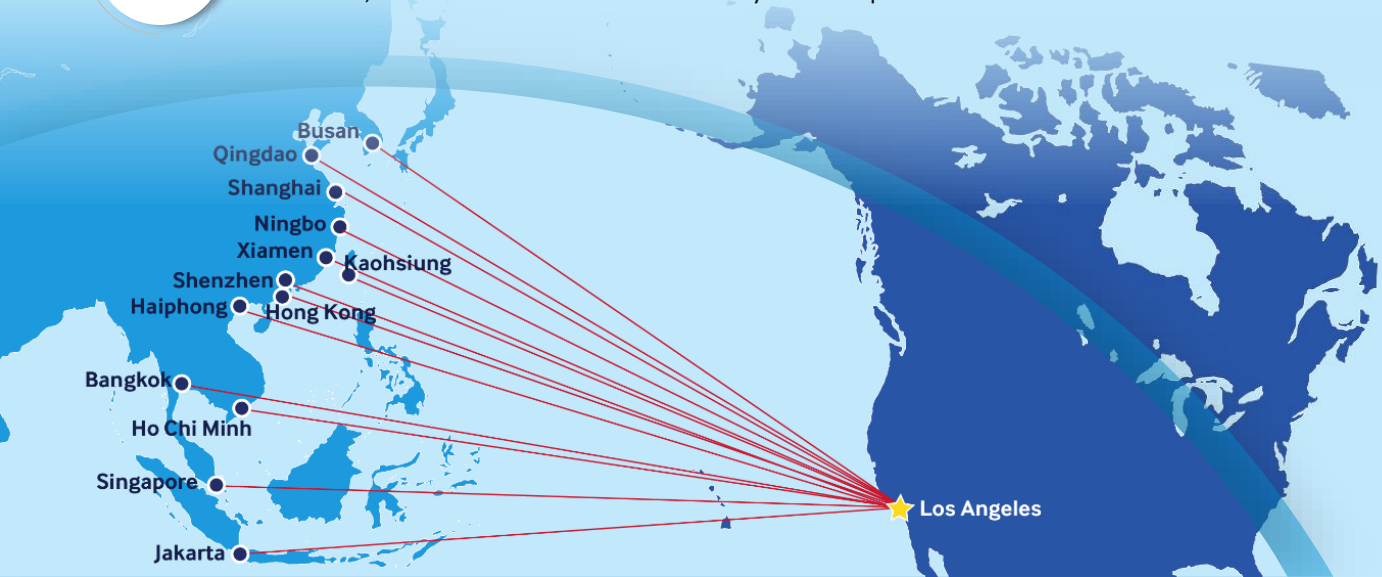
IMPROVED PLANNING – Day definite delivery allows more reliable inventory, production and sales planning



CARBON REDUCTION – 95% reduction in carbon emissions when compared to air freight.



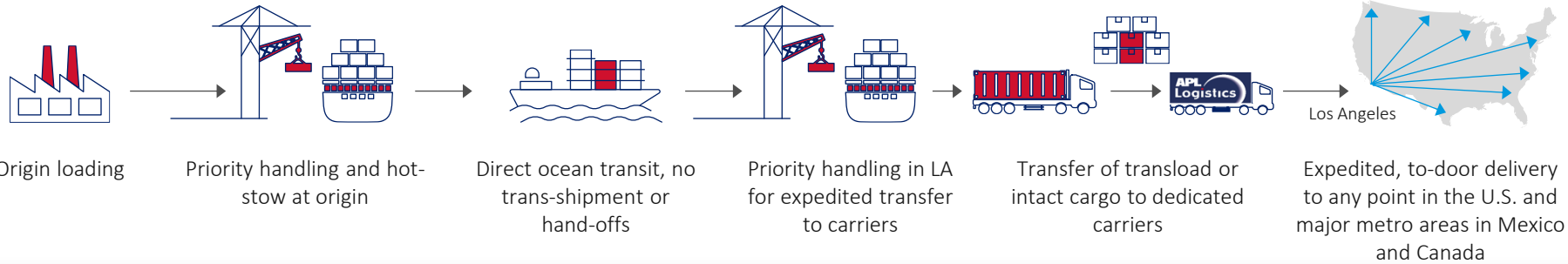
LOCATIONS – 13 Asia origins to any US zip code and select locations in Mexico* and Canada**



**OG LCL: MEXICO - Only Monterrey, San Luis Potosi, Guadalajara, Mexico City and Toluca. **OG LCL: CANADA - Only Metro Vancouver, Montreal, Toronto.*

SHOWCASE OCEANGUARANTEED™

GUARANTEED PORT-TO-DOOR SERVICE THAT YOU CAN TRUST



US Zip code	Volume	Service	Total lead time from HCM to US Door (days) *	Transportation cost from HCM to US Door (USD) *
15108	1x40HC = 65CBM = 12,000Kgs	Ocean Plus	50	\$13,300
		Ocean Guaranteed	30	\$22,100
		Air	9	\$89,000
15108	8 CBM = 1,500 Kgs	Ocean Plus	50	\$2,300
		Ocean Guaranteed	32	\$4,000
		Air	9	\$13,000

*Estimated, subject to validity

AIRFREIGHT SERVICE CAPABILITIES

APL offer a full suite of Air and expedited product globally, through our parent company KWE

Our Capabilities

- Global Top 10 Air Freight Forwarder
- TAPA/C-TPAT/IATA Certified Agent
- +80,000 Tons handled in 2021-2023
- Global network with reliable local operation capabilities
- Strategic partnerships with major global airlines
- Block Space Agreements for export to JP, EU & US
- Expertise in Retail, Fashion & Lifestyle, Auto, Technology, and Industrial segments

Our products

- Air/Air (Priority/Premium/Economy service)
- Multimodal solutions: Land – Air, Sea – Air
- Air Charter

Power Lanes

- *Japan* ~ 1,000 tons/month
- *China / Hong Kong / Korea / Thailand* ~ 500 tons/month
- *US and Canada* ~ 300 tons/month
- *EU (France, Germany, UK, Netherlands)* ~ 200 tons/month



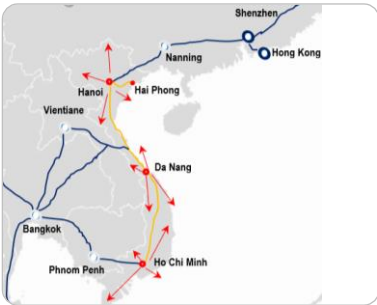
Our Strategic Carrier Partners



LAND TRANSPORT SERVICE CAPABILITIES

APL provides a full range of transportation services that can be customized to meet your specific needs

Transportation Network



- **Domestic Inland & Asia Cross Border Trucking** capabilities
- **50+ suppliers** in vendor pool
- **500+ vehicles** from vendor pool
- **2,000+ truck moves** per month

A Service Highlights

- Domestic Inland Trucking (FCL/ FTL/LTL services)
- Multimodal solutions: Barge/Domestic Ocean/Rail/ Cross border
- VAS: customs clearance/ loading/ unloading/ sorting/ tally/ lashing...

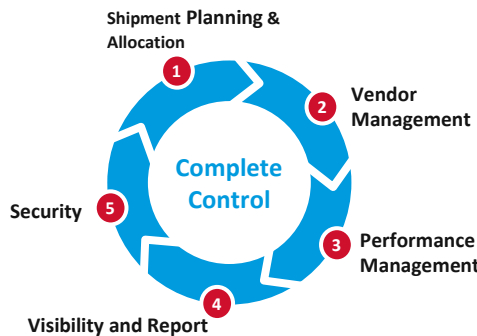
B Operation excellence

- Tailor-made solution design
- 24/7 transportation operations coverage of your freight

Transportation Services



Transportation Management



A Efficient Transportation management process to achieve on-time deliveries, cost-effective

B Cargo Security – C-TPAT, GPS-equipped head truck, annual risk assessment

one Transportation System

A APLL TMS – A digital platform for end-to-end Transportation management



B Full visibility and real time tracking of order status
Dashboards for KPI tracking & order monitoring

CROSS BORDER NETWORK CAPABILITIES

OUR SERVICE MAP



SERVICE HIGHLIGHTS

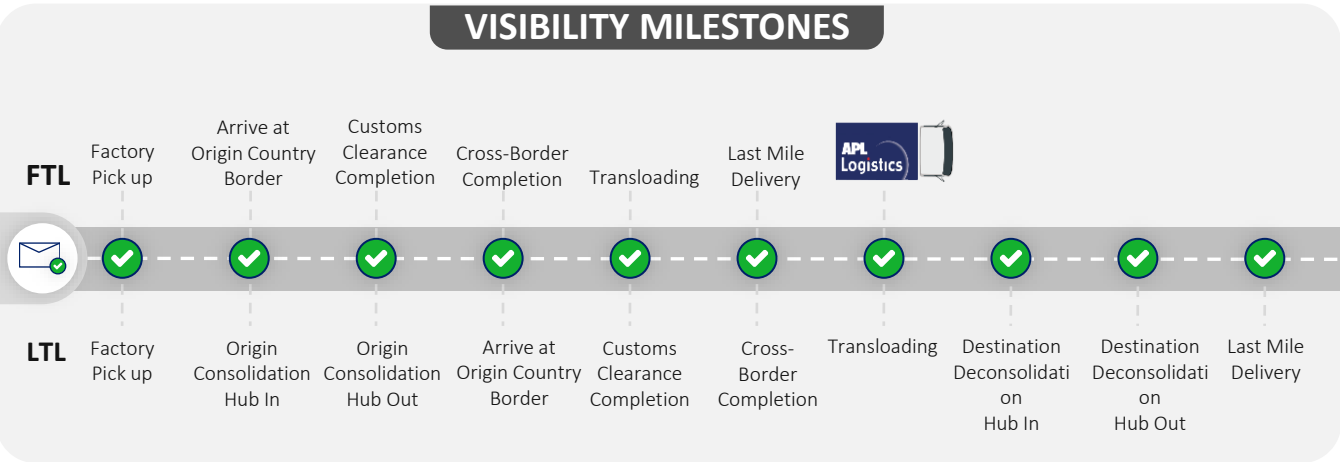
Services offering

- FCL/ FTL/ LTL Door-to-door delivery
- Multi-supplier/Load Consolidation
- Cargo packing/ lashing service
- Customs clearance
- Multimodal solution (air/ ocean/ rail)

Security and Technology

- Enhanced Security with GPS/CCTV, Smart Lock, Door Censor, Escort service...
- Real time tracking and visibility
- APLL TMS to manage end-to-end process

VISIBILITY MILESTONES



SHOW CASE

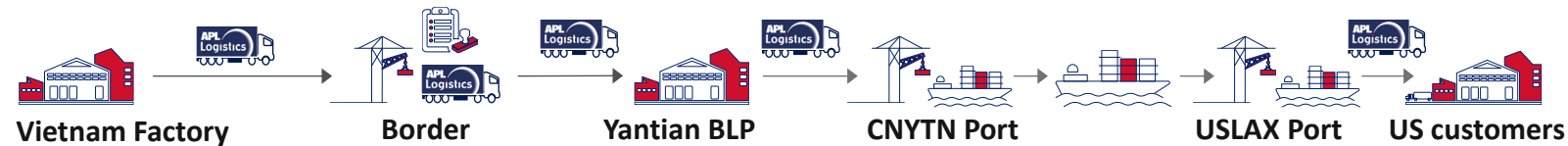
MULTIMODAL SOLUTION – CBT AND OCEAN VIETNAM TO US

Vietnam – China – US transportation

Traditional Transportation Model



Cross-Border Trucking Model



Cross border service map



Challenges

- Cargo missed the original vessel ex. VN – US
- Full space of next vessel and take several weeks for next available ETD ex. VN
- Expensive cost by air



APL Logistics Solutions

- Check available space with earliest schedule from other origin locations - Yantian
- Cross border trucking from VN to Yantian CFS and connect the earliest vessel from Yantian to US via Ocean Guaranteed service
- Provide “end-to-end” solution



Benefits

- E2E solution with single point of contact
- An efficient, fast and reliable solution
- Cost saving versus Air freight and On-time delivery
- Guaranteed Ocean capacity

NAVIGATING THE NEW NORMAL

September 2024

APL Logistics

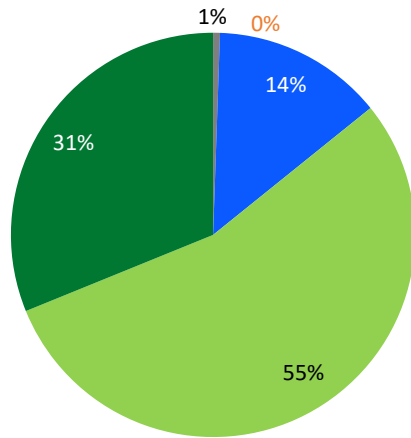
Survey Feedback



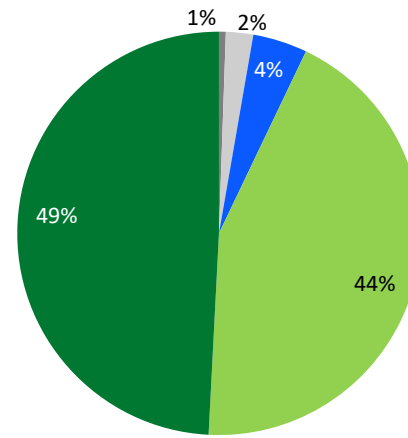
A member of the *KWE* Group

YOUR FEEDBACK MATTERS

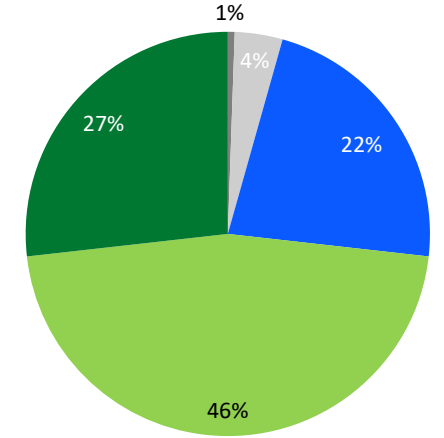
Your satisfaction level with APL Logistics Vietnam in overall



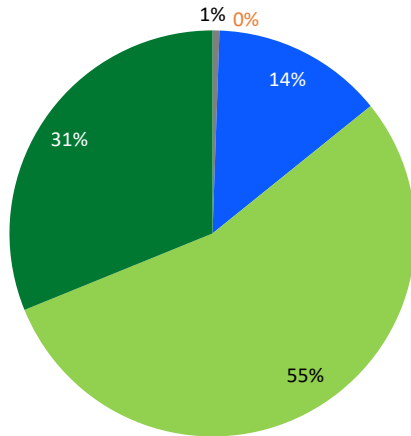
Your satisfaction level on our booking process



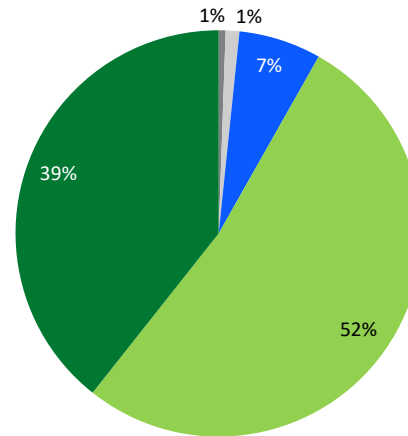
Your satisfaction level on our FCR, HBL, draft invoice issuance timeline and accuracy



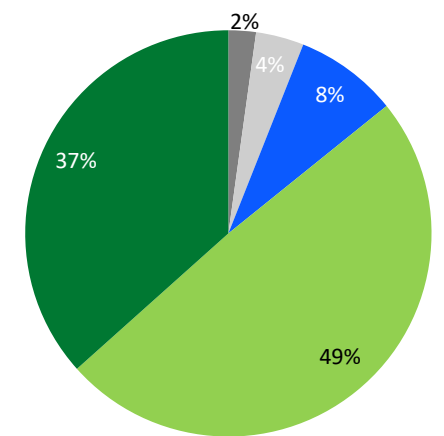
Your satisfaction level on our e-invoice issuance timeline and accuracy



Your satisfaction level on our required document guideline



Your satisfaction level on our warehouse process



Very Unsatisfied
 Unsatisfied
 Neutral
 Satisfied
 Very Satisfied

NAVIGATING THE NEW NORMAL

September 2024

APL Logistics

Quiz



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THANK YOU!



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