

Belgien

- All schools in Belgium have been closed since Monday.
 - Most parents try to work from home.
 - All cafes and restaurants in Belgium have been closed since a week and until April 3.
 - This is also a major burden for wine merchants.
 - It is currently estimated that 20% of restaurants, including wine merchants, will file for bankruptcy.
 - A lockdown applies in Belgium from 12 noon today, i.e. all shops will close except supermarkets and pharmacies.
 - From today, the rule in supermarkets is: 1 person on 10sqm
 - Brussels Airlines will stop all flights from Saturday for 4 weeks.
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China

- Since end of January, the Chinese government put very strict ban on group gatherings, outside dining and travels. Basically everyone in China stayed at home for one month.
 - Since end of February, we see significant decrease in the total numbers of patients and people started get back to work. However, schools haven't started so the kids and young people are still staying at home.
 - Since last week, Chinese government is asking a 14-days quarantine for all oversea passengers, and probably this policy will last for quite a few months until the international virus outbreak get controlled. We don't recommend anyone to travel to China at the moment.
 - We did a survey with German wine importers and here are the feedbacks regarding the wine business:
 - Last 2 months there is a very significant drop of sales, though online is less worse than offline channels.
 - Online sales have been becoming more important or as a new option for some.
 - A few companies may have severe cash flow problems.
 - Importers thinks 2020 annual total wine business will drop.
 - Only a third of them clearly claiming that importation plan of German wines will not change.
 - Most companies can hold out for another 6 months or more if the situation gets worse.
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Dänemark

- The Corona-situation has developed rapidly over the last week.
- The official Denmark - all schools, educational institutions, libraries etc. closed down from March 12th and over the weekend all fitness gyms, sports clubs, many restaurants, wines bars etc. closed as well. Many restaurants offer take away.

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- People are asked to stay home, work from home and not gather for unnecessary reasons. It is prohibited by law to gather more than 100 people.
- The e-supermarket are extremely busy. When you check-in at Nemlig.com, there are more than 25.000 in line and you have to wait more than an hour to "get in".
- The shopping in the supermarkets is now quite normal after a weekend with huge lines and people stockpiling. The big five supermarket chains guarantee that there is food and toilet paper enough for everybody.
- The wine sales don't seem to go down. Several online wine shops offer free delivery and many of them also offer a discount.
- The borders in Denmark are closed, but goods can pass.
- The government has created several financial "aid packages" to help small, middle and large companies to get through the crisis.
- We have 960 people infected with coronavirus, 82 hospitalized and 4 dead.

Finnland

- Last Thursday (12.3.) was still a more or less normal day, but on Friday total chaos, as it really escalated, and since then the situation has changed rapidly.
 - The situation at the moment - very the same as in the other countries:
 - We have ca 350 patients at the moment, but rising rapidly, and we seem to have the same development as in Sweden and Norway, although we have tried and still try to avoid it with heavy measures. We try to get the development not be as high and rapid as in other countries, to get it lowered down.
 - People are asked to stay at home, work from home, most schools are closed, museums, theaters - everything is closed. Gathering more than 10 persons is forbidden. People are asked not visit their relatives. Normal shops are still open. Helsinki is totally a ghost city.
 - We are closing the borders, Finnish people are asked to return home from abroad at once
 - Economy, specially restaurants, travel industry etc are suffering heavily. People are already now laid off temporarily.
 - The government is fighting heavily to minimize all infections - health first, of course, to get "hold on" the development and the situation, but also to minimize the economical effects and losses this will have
 - What an impact this has on alcohol sales = people are asked not to start to "have holiday", but Alko checked with us about news on deliveries from Germany.
 - All this at least until after Eastern. People take it very seriously, which is good. We'll see how this develops.
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Japan

- Japan currently reports 882 cases of infection (excluding the Diamond Princess boat), and 29 deaths.
 - The number of cases is not increasing very fast, and the clusters of infections have been the same for weeks (Hokkaido, Osaka)
 - Most sport and cultural events have been cancelled until March 19th, most likely to be extended.
 - Many big museums, amusement parks, castles (= highly visited places) are closed until March 19th, most likely to be extended.
 - Major fair trades such as Foodex and Sea Japan have been cancelled or postponed.
 - Most schools are closed and therefore, the government encourages remote working for those who can.
 - Travelers from China, Iran, Italy and South Korea (under 14 days) will have to do 14 days of quarantine. The planes from those destinations can only land in Narita and Osaka.
 - On March 14th the government stated the possibility to declare the State of Emergency, but for now it has not been activated.
 - The Olympic committee has not cancelled the events as per March 18th.
 - An announcement by the government is imminent (potentially May 19th) regarding a potential increase in measures taken
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- Regarding the F&B industry, and wine in particular:
- <On-premise>
 - Reservation cancellations such as banquets continue at hotels and restaurants. Sales amount have slowed since March due to the rapid restraint of eating out.
 - One wine importer is unlikely to be able to collect 50% of accounts receivable from restaurants.
 - In Kansai area, most industries, such as restaurants, hotels and department stores, are in trouble. The Nihon Keizai Shimbun (Nikkei newspaper) surveyed 56 companies and stores in Kansai and found that sales in early March decreased from the same period of the previous year in 48 cases, of which the rate of decrease was more than 50% in 17 cases.
 - Demand for wines is expected to shrink, especially for mid- to high-end products.
 - <Off-premise>
 - Major wine schools also closed until late March.
 - Off-premise wine sales are increasing. Suburban food supermarkets and online wine sales are increasing rapidly. Some of companies take telework, it increased the chances of drinking at home.

- Since people have enough time to drink wine at home, the unit price of wine has gone up. Nice opportunity to enjoy high-quality wine at home.
- <Importers >
 - Most of Importers canceled their tasting sales promotion for professionals. At the same time tasting promotion at retail stores were canceled.
 - An importer who mainly imports German wine has started a Youtube channel to promote learning about the producer's history to encourage at-home consumption.
 - Major food & beverage exhibitions like FOODEX (Mar) and Wine & Gourmet (Apr) were canceled.
 - On the logistics side, imports from Italy are stagnating, as the spread of infections becomes more severe. The containers are already two months late. They have to change their import plan.

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Kanada

- Canada is a federal state, like Germany, and also quite geographically widespread, so measures do vary from province to province however we can focus on Ontario, Quebec and BC which are more important for German wine producers and are taking the lead in implementing measures.
- As of today we have 424 confirm cases with Ontario and BC are most affected
- Both federal and provincial governments are asking all Canadians to work from home and not go out except if absolutely necessary.
- The federal government will close the air and land border to all non Canadians (except US citizens) effective tomorrow (Wednesday March 18th). Anyone ill, Canadian or non, will not be allowed entry. Everyone arriving into the country is will be asked to self-isolate for 14 days. We expect the border to close to US citizens very soon if the situation there gets worse.
- All schools in universities are closed in Ontario and Quebec until April 6th. On Sunday March 14th, Quebec ordered the closure of all bars, restaurants until further notice. In Ontario a state of emergency was declared today March 17 -- however bars and restaurants can stay open only if they can offer take out service, i.e.. no inside dining.
- LCBO SAQ, BC Liquor Stores all well as the other monopolies, have stopped all in-store tastings, producer / agent in-persons visits until further notice.
- The LCBO has also suspended all wine events until the end of May.
- SAQ LCBO and BC Liquor Stores can remain open for now. Sales have been brisk. For example, sales at the SAQ on Friday March 13 and Sunday March 15th were twice their normal volumes (Saturday March 14 was the same as last year). Online orders are increasing although wait times for delivery have grown.
- To recap, the situation in HORECA, it is at a standstill with restaurants mostly closing/closed. Sales in the off-trade will increase via online so a focus on in-home consumption and cocooning will be the way to go for the next while. In

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provinces with no e-commerce i.e. BC Liquor Stores, sales will be more affected because customers will have only in person retail options.

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Niederlande

- All schools in the Netherlands have been closed since Monday.
 - Here too, many try to work from home.
 - All shops are currently still open.
 - All cafes and restaurants in the Netherlands have been closed since Sunday (6 p.m.) and this is expected to be until April 6.
 - This is also a major burden for wine merchants.
 - Online meal ordering is booming.
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Norwegen

- Norway closed all schools and gatherings for 50 or more persons on March 13th. So all in Horeca is basically closed
 - This means that they suggest all to stay as much at home as possible and be with your family
 - Today they basically say that no gatherings is allowed and you should keep a distance to all.
 - There is no curfew but we see that the population takes this very seriously and there is basically nobody out
 - Most are working from home if they can with children around.
 - We have today 84.000 more unemployed just the last 4 days
 - We have tested 22.000 persons, 1.400 with Covid 19, 68 hospitalized and 3 dead. We have 0,27 affected pr 1.000
 - Oslo is most affected.
 - For German wines the sales are very good and it seems like the Monopoly sells more these days than normal. The borders is still open for transport of goods but not people so all travels are postponed.
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Polen

- We have tested 7.900 persons, 246 with Covid 19 and unfortunately 5 dead
- Poland has declared a state of "epidemiological emergency" but not yet a full state of emergency
- From 14.03.2020 all shops are also closed - with the exception of supermarkets, discounter, pharmacies and drugstores. This also applies to wine stores, which are also closed. Most of them started selling with a home delivery service. We must remember that in Poland we do not have any online wine stores.

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- Restaurants, pubs, bars and casinos will also remain closed. Locals may only operate delivery services.
 - Shops in shopping malls are closed. Individual shops are still open, but with reduced opening hours. Many offers „to go“. You can order wines per mail or phone and fetch them at the shops.
 - All schools (from 12.03.2020), theatres, educational institutions, libraries, museums, gyms, sports clubs has already closed.
 - The borders in Poland are closed, but not for goods. Poland has banned the entrance of foreign citizens. All citizens who have recently arrived must undergo obligatory self-isolation for 14 days from the date of their arrival to Poland.
 - People are asked to stay home, work from home and not gather for unnecessary reasons.
 - It is prohibited by law to gather more than 50 people.
 - LOT Airlines will stop all flights from Saturday 14th to 28th March.
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Russland

- We have tested 116 061 persons, 114 with covid, 0 dead. Some media suppose that this statistic is too optimistic for our country, it couldn` t be true etc.
 - From March 18 until May 1, Russia has banned the entrance of foreign citizens. Additionally, Russian state authorities have temporarily suspended issuing visas.
 - All citizens who have recently arrived from countries of the European Union, and other listed countries, including Ukraine, Belarus, and the USA (the full list includes almost 50 countries), must undergo obligatory self-isolation for 14 days from the date of their arrival to Russia.
 - Citizens living together with persons who are on self-isolation are also required to self-isolate at home for 14 days.
 - It is recommended that employers should consider the opportunity to transfer their employees to remote work and properly formalize this temporary regime (for example, starting from this week my company entered home-office mode).
 - Our schools, kindergartens, universities are closed until April 12.
 - Restaurants, bars, nightclubs, gyms, and other businesses are open, but gatherings of 50 people or more have been cancelled. We cannot exclude that all public institutions will be closed soon.
 - Small and medium-sized businesses including restaurants and bars are suffering because people prefer to stay at home.
 - The Russian ruble fell almost 10% demonstrating its lowest level in more than four years, as oil prices crashed following the breakdown of the Russia-Saudi Arabia pact to limit production.
 - Wine industry: The Ministry of Finance has developed and introduced to the government a bill on online alcohol trading.
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Schweden

- A total of 1167 people have been found infected with covid-19 in Sweden
 - The risk of the coronavirus spreading in Sweden is considered to be very high.
 - A temporary ban on travel to Sweden due to covid-19
 - The decision is applicable from March 19 and initially for up to 30 days. Not all trips to Sweden are suspended. Swedish citizens and other persons residing in Sweden will be able to return to their homes. The entry ban also does not apply to people who have particularly important reasons for travelling to Sweden.
 - People are avoiding social contact and stay at home if they have symptoms or are aged over 70
 - The Public Health Agency of Sweden advises all those with symptoms, even mild, to avoid social contact in order to avoid infecting others. This applies to both work and private life.
 - People are working from home especially in the Stockholm region
 - Employers who have the option of letting employees work from home may consider recommending that.
 - Remote learning in Swedens upper secondary schools, municipal adult education, university colleges and universities due to the new corona virus.
 - Package of 300 billion SEK to support companies and jobs
 - The Swedish government on Monday presented a package of measures worth more than 300 billion SEK (\$30.94 billion) to support the economy in the face of the coronavirus pandemic.
 - <https://www.reuters.com/article/us-health-coronavirus-sweden-budget/sweden-launches-coronavirus-crisis-package-worth-more-than-30-billion-idUSKBN21311G>
 - Swedes want their food delivered to the door
 - The online shopping has increased when it comes to delivery from supermarkets, I know this since all delivery times is booked for one week forward from all supermarkets and online food shops like COOP, ICA, mathem.se and the shelves in the supermarkets are empty from toilet paper, rice, pasta, conserves and many other things.
 - Restaurants are asking for support from all consumers to go out and eat, order take-away and not to stop supporting their local restaurant if they want somewhere to eat in a few weeks.
 - Systembolaget are open as usual.
 - Systembolaget can tell that home deliveries are increasing.
 - "Home deliveries have increased in the number of orders over the past week. We have no exact figures yet, but there have been more lately", says Sofia Brännborn, press secretary at Systembolaget
 - However, some new buying patterns cannot be discerned. Instead, Swedish customers seem to fall into the category of habit animals. So there are more orders with "the old ordinary".
 - <https://www.ehandel.se/svenskarna-strommar-till-systemets-e-handel>
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Schweiz

- Switzerland closed all schools and all gastronomy and shops and all public or private institutions and place (museums, parks, ecc.) - only pharmacies and grocery stores are still open in addition post offices, hotels, banks and similar - thus especially gastronomy and shops are suffering due to this lockdown. This is valid until April 19th
- This means that they suggest all to stay as much at home as possible and be with your family
No events/gatherings private more public are allowed,
- People are still allowed to leave the house. If possible people are doing home office, if this is not possible people still have to go to work.
- We have tested 2650 persons, 2269 with Covid 19, 19 dead.
- Regarding wine sales - most of shops now offer home deliveries with attractive conditions as the shops are closed. The borders is still open for transport of goods but not people (borders are closed versus Italy, France, Germany, Austria - only people working or living in Switzerland can still cross the border (valid for 6 month))

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UK

- A few days ago, the nation was very much operating on a 'business as usual' policy but this dramatically changed overnight and earlier this week and has impacted life considerably for UK citizens and businesses.
- The government strategy has changed quickly over recent days. It started off trying to contain the outbreaks of coronavirus, isolating those infected and testing positive and those in close contact to them. Following this the government began putting in place process to delay and stop the peak, but more recent research (extensive piece by The Imperial College) has prompted drastic change in an attempt to keep deaths below 20k.
- In the UK 71 people have died and up to 55k are thought to be infected, though the official count is just under 2k.
- What are these steps:
- Public asked to reduce social contact - most vulnerable having the strongest warnings
- Those suspected of having the virus are asked to self-isolate (and others who live with them) so to stay at home for 14 days
- Everyone to stop non-essential contact with others
- People are encouraged to work from home (Phipps office is now all working remotely).
- People to avoid pubs, clubs and theatres - especially in London as it's classed as being a few weeks ahead of the rest of the UK
- Everyone to stop all unnecessary travel - Transport for London has seen a drop of 19% last week YOY of tube users and 10% in bus passengers and the mayor has announced a reduced service will be operating from here on in.

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- Schools, universities are staying open for now but this is likely to change in the very near future
- Overall the on-trade isn't faring well at the moment, with more and more consumers following government guidelines and heading into isolation. This is noticeable especially in London, where streets are emptying out and ordinarily yesterday (St Patrick's Day) Irish pubs across the capital would have been booming, but they were dramatically stark with a skeleton staff operating them. On the other hand, similarly to many other markets, retailers and especially multiple retailers here in the UK, are doing very well. Despite supply chains being stretched and stocks fast selling out (everybody stock piling on essentials) the government assures us that stocks are there and we will not be running out. Online retail is doing very well with a long waiting time on delivery slots.
- The wine business is struggling and will struggle for weeks to come, with job losses and some closures.
- The government yesterday unveiled a huge £330bn economic rescue package of loans mortgage relief and other measures to bolster businesses and citizen's personal finances - following urgency to work from home and avoid going out. £20bn support is for retail, hospitality and leisure sectors.
- EU border closures are presenting some challenges to UK importers moving wines through the lockdown continent - fearing warehouses going into lockdown, but logistics companies here in the UK suggest that there is no issue with supply at the moment as goods can still move - we won't run out of wine!
- In the UK wine trade, many large and small scale tastings and events have been cancelled and postponed following recent government advice; including Raw Wine Fair in London.
- Whilst retailers are doing well at the moment, anecdotally WSTA has reported that alcohol offers are reduced in supermarkets at the moment or stopped altogether.
- Specialist wine retailer - Majestic Wine records a huge surge in demand over this past weekend, as customers have been filling their racks at home ahead of the oncoming lockdown. The specialist retailer reported an 'unprecedented demand' for wines from Europe (especially Italy and France which saw increases of 44% and 68% respectively over the last 7 days to 17th March). Therefore the larger off trade retailers are doing well.
- Online wine sales are doing really well, we've been liaising with Alex Davies the German buyer from Virgin Wines and he reports that the last few days have been really busy, with wine flying out the door - many consumers are stockpiling but the hope is that sales keep high after this trend too. Alex claims that in the long-term the situation will probably look good for them and other wine e-commerce sites in terms of market share. Even though this is a unique situation, people are obviously turning to online wherever possible.
- On the side, Drinks Retailing News report that three in five UK drinks retailers fear their business will be materially impacted by consumers staying indoors. DRN polled hundreds of drinks retailers and 60% said they were getting ready

for negative impact on sales with the impact of empty streets. Many retailers are ramping up e commerce and home deliveries as a result of this.

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USA

- Please find below a quick snapshot of key facts. Overall, restaurants and bars are struggling with many forced to closed or provide only take-out or deliveries but retail stores, online wine shops and delivery services are booming.
- Here is a short update from the US as of March 17th:
- State governments have closed schools in at least 30 states, with closures increasing daily.
- Major cities (New York, Los Angeles, San Francisco) have closed restaurants, bars, nightclubs, gyms, and other businesses, and all gatherings of 50 people or more have been canceled. In New York, restaurants can only offer take-out and deliveries (including wine), but the impact to the hospitality industry nationwide is widespread.
- Supermarkets and pharmacies/drugstores are open and continue to be restocked with food and goods.
- Off-premise wine sales are increasing rapidly while on-premise sales are clearly decreasing. Over the last week, as an example, New Jersey's largest wine retailer reported a 62% increase in overall sales, a 20% increase in overall in-store foot traffic, and a 300% increase in local delivery and pickup orders.
- Delivery services and online retailers such as Drizly, Uber Eats, and Wine.com are seeing significant increases in orders for both food as well as alcoholic beverages like wine.
- Some cities and states have issued curfews or shelter in place – meaning that people are legally forced to stay home as much as possible.
- Social distancing is heavily promoted in the media and through social networks.
- Most events through June have been cancelled or postponed with new dates to be determined.
- People have been told to work from home if possible, and many businesses are complying with this. With schools closed, workers are juggling work from home and childcare, and offices are being flexible about working at night or on weekends to best manage workload.
- People have been asked to limit all non-essential travel within the U.S.
- Travel to Europe has been suspended, but goods from Europe can still come in.
- The numbers of COVID-19 cases in the U.S. is rapidly changing as testing has not been readily available. As of Tuesday, March 17, we have over 5,300 cases and about 100 reported deaths across all 50 states. Many believe these numbers don't reflect the reality given the difficulty in getting tests to date, and the numbers are going to rise exponentially. The current government measures are looking to "flatten the curve" – which seeks to spread out the

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cases over the course of months, rather than have them spike at once and cripple the health systems.