

COVID-19 Status: Philippines further eases restrictions and vaccinates minors

Metro Manila and 38 other areas further ease COVID-19 restrictions

- ▶ Starting March 1, the country's capital of Metro Manila, along with 38 other areas, will be classified under COVID-19 Alert Level 1 status, which provides the least restrictions in operating businesses.
- ▶ Under Alert Level 1 status, workplaces, public transportation, and accommodation establishments such as gyms, salons, and restaurants are allowed to operate at full capacity, subject to compliance with national rules and vaccination requirements.
- ▶ According to the Department of Trade and Industry (DTI), the measure will result in the creation of around 500,000 jobs.

Philippine Government begins COVID-19 vaccination of children aged 5 - 11

- ▶ The Philippine government has started vaccinating children aged 5 - 11, with the goal to inoculate 15.5M children.
- ▶ In support of the rollout, the Philippine government purchased 30M doses of the Pfizer vaccine, which is the only brand allowed by the Philippine Food and Drug Administration for children aged 5 - 11. In the first quarter of 2022, 7.5M Pfizer vaccines are expected to arrive, and another 7.5M doses in the second quarter.

Deal Spotlight: Investments in finance & technology

Local startups close various funding rounds led by international investors

- ▶ Digital bank Tonik raises USD 131M Series B funding led by Mizuho Bank. The neobank will use its funding to accelerate growth in the Philippines, where it was the first to secure a digital bank license.
- ▶ Peddlr, a Philippines-based SaaS startup that provides a digital finance and accounting infrastructure to micro, small and medium enterprises (MSMEs), secures USD 4.3M in seed funding led by Patamar Capital and Crestone Venture Capital. With its proceeds, the technology company aims to expedite the release of its new software features and digital products.
- ▶ Philippine cryptocurrency exchange PDAX closes USD 50M Series B funding led by Tiger Global. The company will use its fresh funds to further grow its digital infrastructure.

Investments on the rise: Operators show interest in establishing data centers in the Philippines

Data centers viewed as among the high growth areas in the property sector

- ▶ According to real estate firm Santos Knight Frank, data centers are expected to be among the high-growth segments in the property sector, owing to the government's initiative to develop infrastructure and digitize processes. The real estate firm mentioned that 5 to 6 operators are seeking to establish facilities in the country this year.
- ▶ SpaceDC, a Singaporean data center provider, is seeking to invest USD 700M to establish a 43,000 sqm data center campus in the Philippines, the largest in the country. The facility will be housed in Cainta and is targeted to open within the year.
- ▶ Meanwhile, YCO Cloud Centers, an affiliate of JJYnchausti Ventures, is seeking to deploy USD 500M for its 10,000 sqm data center in Batangas. The project will break ground in June 2022, with the expected rollout of its first data hall to be in Q2 2023.

Sector Watch: Renewable energy REIT IPOs; new sectors to be allowed 100% foreign ownership

Citicore debuts the first renewable energy REIT in the Philippine stock market

- ▶ Citicore Energy REIT Corp (CREIT) becomes the first renewable energy REIT in the Philippines after its USD 124M IPO. CREIT aims to increase its energy generation capacity to 1,500 MW in the next five years, from its current 145 MW capacity.

Telecommunications and railways services soon to be allowed 100% foreign ownership

- ▶ The Philippine congress approved a bill that would allow 100% foreign ownership (previously 40%) in telecommunications and railways services in the Philippines, opening up the key sectors to foreign capital. The bill is set for President Duterte's approval into law.