

COVID-19 Status: Philippines expands COVID-19 vaccination to children

Philippine government allows COVID-19 vaccination of children aged 12 - 17

- ▶ The Philippine government is now allowing children aged 12 - 17 to be vaccinated. The government aims to inoculate 80% of the 12M children before year-end.

Investor Insight: Warburg Pincus' views on Philippine Market; Mynt achieves double unicorn status

Warburg Pincus views the Philippines as a priority market

- ▶ Warburg Pincus expects the Philippine GDP to grow by 4.3%, 5.1%, and 6.6% from 2021- 2023, respectively. The global private equity firm sees the Philippines as a priority market given its favorable long-term fundamentals, with the country having the second-largest population and the highest private consumption (at 75% of GDP) in Southeast Asia.

Mynt achieves “double unicorn” status after securing USD 300M in its latest funding round

- ▶ Led by Warburg Pincus and Insight Partners, Mynt's latest funding boosted the fintech company's valuation to over USD 2B.
- ▶ GCash, which is Mynt's mobile payment wallet, recorded a gross transaction value of over USD 20B in 2020, driven by its digital services such as online payments, bank cash-in, and money remittance.

Deal Spotlight: Investments in energy & technology

JERA invests USD 1.5B in Aboitiz Power while KKR increases its stake in Philippine energy firm First Gen

- ▶ JERA, Japan's largest power generation company, is investing around USD 1.5B in Aboitiz Power, securing a 27% ownership stake. Proceeds will be used to support other businesses of the Aboitiz conglomerate or to refinance existing debt.
- ▶ Global private equity firm KKR raised its stake in Philippine energy firm First Gen from 11.9% to almost 20% after investing an additional USD 170M in the company.

Philippines social entertainment platform Kumu closes its series C round led by General Atlantic

- ▶ Kumu's total capital raised adds up to over USD 100M following its series C close. The company will use its proceeds on content investments in the Philippines and around the world.
- ▶ Kumu is the #1 grossing social app in the Philippines and has ranked top ten in various countries, such as Canada, Australia, Hong Kong, and Singapore.

Cloudeats secures USD 5M in its series A round led by Vulpes Investment Management and Gobi Partners

- ▶ With its fresh funding, the Philippines-based cloud kitchen aims to scale its smart kitchen technology, expand to more markets across the region, and develop new brands.

Industry Insight: Philippine e-commerce and office market

Facebook and Bain & Company's Southeast Asia digital economy study shows promising prospects for the Philippines

- ▶ According to the report “Southeast Asia, the Home for Digital Transformation,” the digital consumer population of the Philippines is projected to reach 61M by the end of 2021, a 5% growth from 2020 and the second highest in Southeast Asia (behind Indonesia).
- ▶ By 2026, the total e-commerce gross merchandise value (GMV) of the Philippines is expected to reach USD 30B (from USD 8B), growing at a CAGR of 30% from 2021-2026 or 3.8x, the second fastest in the region, next to Vietnam.

Philippine office market seeing signs of recovery

- ▶ According to Leechiu Property Consultants (LPC), Philippines office take-up in the first nine months reached 383,000 sqm, equivalent to 98% of the full-year demand in 2020. Around 75% (289,000 sqm) were recorded in Metro Manila, surpassing the 266,000 sqm full year transactions of the region in 2020. 25% or 94,000 sqm of office transactions were closed outside Metro Manila, primarily in Iloilo (37,000 sqm), Clark (13,000 sqm), Laguna (11,000 sqm), Davao (9,000 sqm), and Cebu (8,000 sqm).
- ▶ As of Q3 2021, office leasing terminations declined by 69% from the last quarter, the lowest they have been in the country throughout the last 18 months.