YTD exports confirmed a rebound; higher than 2019 pre-pandemic

### Comparative Exports Performance: 2021

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>70.9 B</td>
<td>65.2 B</td>
<td>74.6 B</td>
<td>14.5%</td>
<td>5.21%</td>
</tr>
</tbody>
</table>

### Top Exports by Commodity Groups

<table>
<thead>
<tr>
<th>Top Exports by Commodity Groups</th>
<th>Value (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic Products</td>
<td>42.4 B</td>
</tr>
<tr>
<td>Other Manufactured Goods</td>
<td>4.5 B</td>
</tr>
<tr>
<td>Other Mineral Products</td>
<td>2.5 B</td>
</tr>
<tr>
<td>Machinery and Transport Equipment</td>
<td>2.3 B</td>
</tr>
<tr>
<td>Ignition Wiring Set and Other Wiring Sets Used in Vehicles, Aircrafts and Ships</td>
<td>2.3 B</td>
</tr>
</tbody>
</table>

### Top Export Markets in 2021

<table>
<thead>
<tr>
<th>Top Export Market</th>
<th>Value (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>10.8 B</td>
</tr>
<tr>
<td>China</td>
<td>10.6 B</td>
</tr>
<tr>
<td>Japan</td>
<td>9.9 B</td>
</tr>
<tr>
<td>Hong Kong SAR</td>
<td>9.1 B</td>
</tr>
<tr>
<td>Singapore</td>
<td>3.8 B</td>
</tr>
</tbody>
</table>

Source: Foreign Trade, Philippine Statistics Authority
YTD FDI confirmed a rebound; higher than 2019 pre-pandemic

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</thead>
<tbody>
<tr>
<td></td>
<td>7.3 B</td>
<td>6.1 B</td>
<td>9.2 B</td>
<td>52.0%</td>
<td>26.0%</td>
</tr>
</tbody>
</table>

Top 5 Highest Industries Receiving Net Equity Placements in 2021 (Jan – Nov)

<table>
<thead>
<tr>
<th>Top Industries</th>
<th>Value (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>435.6 M</td>
</tr>
<tr>
<td>Electricity, Gas, Steam and Airconditioning Supply</td>
<td>293.7 M</td>
</tr>
<tr>
<td>Financial and Insurance Activities</td>
<td>188.5 M</td>
</tr>
<tr>
<td>Real Estate Activities</td>
<td>122.0 M</td>
</tr>
<tr>
<td>Information and Communication</td>
<td>52.0 M</td>
</tr>
</tbody>
</table>

Top 5 Highest Country Sources of Net Equity Placements in 2021 (Jan – Nov)

<table>
<thead>
<tr>
<th>Top Country Sources</th>
<th>Value (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>559.6 M</td>
</tr>
<tr>
<td>Japan</td>
<td>462.4 M</td>
</tr>
<tr>
<td>United States of America</td>
<td>94.2 M</td>
</tr>
<tr>
<td>Hong Kong SAR</td>
<td>48.0 M</td>
</tr>
<tr>
<td>Germany</td>
<td>32.1 M</td>
</tr>
</tbody>
</table>

Source: Investments, Bangko Sentral ng Pilipinas
IPP 2020: Preferred Listing Exports Special Laws

**Tier I**
Revitalizing Businesses, Investments, Livelihoods, and Domestic Demand (REBUILD)

**Tier II**
Competitive & Resilient Economy

- Fill-in gaps in PH’ industrial value chains, critical in:
  - Promoting Green ecosystems
  - Ensuring a dependable Health system
  - Achieving robust self-reliance in Defense systems
  - Transforming into Modern, Competitive and Resilient Industries and Agricultural sectors

**Tier III**
Accelerated Transformation of the Economy

Accelerate Transformation of the economy with the aim of global leadership in emerging industries
- R&D with significant value-added, higher productivity, improved efficiency
- Breakthroughs in science and health, high-paying jobs
- Generation of new knowledge and intellectual property
- Commercialization of patents, industrial designs, copyrights and utility models owned or co-owned by a registered business enterprise
- highly technical manufacturing
- critical to the structural transformation and industrial revolution of the economy
Tier III - Per CREATE, activities that promote Innovation; critical to structural transformation

- Adopting advanced digital production technologies of the fourth Industrial revolution like robotics, AI, additive manufacturing, data analytics and other Industry 4.0 technologies; producing equipment, parts & services that embed these new technologies; and engaging in R&D activities & commercialization of R&D leading to accelerate innovation & increase value added in manufacturing, agriculture, fishing, construction, mining, & services

<table>
<thead>
<tr>
<th>Robotics</th>
<th>Industrial Biotechnology</th>
<th>Additive Manufacturing</th>
<th>Photonics</th>
<th>Advanced Materials</th>
<th>Nanotechnologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced manufacturing</td>
<td>Artificial Intelligence</td>
<td>Mobility</td>
<td>Blockchain</td>
<td>Cybersecurity</td>
<td>Satellite Technology</td>
</tr>
<tr>
<td>Big Data</td>
<td>Connectivity</td>
<td>Internet of Things</td>
<td>Augmented/Virtual Reality</td>
<td>Cloud Computing</td>
<td>Micro &amp; nanoelectronics</td>
</tr>
</tbody>
</table>

- Smart agriculture and biotechnology
- Smart manufacturing
- Robotics & automation, Logistics
- Automated machinery, robotic arms, 3D printers, industrial robots, cobots, sensors, processors, actuators
- Aerospace, medical devices
- IP and R&D commercialization: S4C Program
- Technology & digital intensive industries: Computers, electronics, electrical machinery, machinery & transport
- Knowledge-intensive services: computer-related, R&D (AI Center), other business services
- IT business processes, creative industries (audiovisual, digital interactive media, visual arts, cultural sites, creative services, design)
- Health tech (health & medical services), video tech, edtech (education & training), sports tech & digital health (fitness, wearables, wellness & medical, coaching, training, sports equipment)
The Philippine IT-BPM industry is growing at a healthy pace. During its peak, it posted 23.6% growth rate and consistently registering double digit growth. The bright prospects continue for the IT-BPM with a forecasted industry revenue US$29B by 2022. IT-BPM subsectors are also performing well.

$26.7B Revenue in 2020; $23.8B PH IT-BPM exports in 2020

1,300,000+ direct employees in 2020

4,500,000+ created indirect jobs

Serving North America, APAC and EU Market

700+ BPO Companies in PH

Offers key IT-BPM Subsectors (Game and Animation, Software, HIMS, GICC)

8% forecast by the end of 2022

Source: IBPAP
Home to about **500** semiconductor and electronics companies, employing about **3.2 million** indirect and indirect workers.

Electronics exports in 2021 reached **US$ 45.92** billion, 6% higher than the **US$ 43.3 billion** pre-pandemic level in 2019.

A successful hub for Electronics Manufacturing Services (EMS) with strengths in complex PCB assembly, box build and systems integration with growing capabilities in Design and Development and Original Design Manufacturing (ODM).

World class center for **OSAT** – Outsourced Semiconductor Assembly and Test with exceptional design capabilities.

Growing base of competitive integrated circuit (IC) design companies to provide services to the worldwide IC ecosystem with **1,500-2,000** IC design engineers.

Budding medical devices manufacturing supported by existence of supply chain. PH medical device market is projected to expand up to **US$ 744.7 million**.

Source: Philippine Statistics Authority (PSA)
The Philippines positions itself as a regional hub for EV and EV parts in ASEAN

- 54 manufacturers and importers
- 71,840 direct and direct employment for Filipinos
Transitioning to Electric Vehicles

We are positioning the Philippines as a regional manufacturing hub for EV and EV parts in ASEAN. We recognize that the future of transportation will be autonomous, connected, electric, and shared.

ELECTRIC VEHICLE INCENTIVE STRATEGY (EVIS)

• Information, Education, and Communication
• Research and Development
• Regulations and Standards
• Fiscal and Non-Fiscal Incentives
• Human Resource Development

Activities critical to industry development and priorities for incentives for domestic and export markets

Electric Vehicles Assembly
Manufacturing of E-jeepneys
E-trucks
E-buses
E-UVs
E-Cars
E-Tricycles and E-Motorcycles

Automotive Electronics and other parts
Manufacturing
Products for Advanced Driver Assistance Systems
High-precision sensors
AI-enabled parts;
Augmented Reality/Virtual Reality Technology-enabled parts;
Electric motor powertrains
Metal forging

EV Battery, Charging, Energy Storage Systems, and Recycling
Battery and Parts Charging Equipment
Energy Storage Systems utilizing local minerals in the Philippines for higher value upgrading, including recycling.

Engineering Service Outsourcing
Engineering Service Outsourcing; R&D; Automotive systems design & modelling; AI applications in autonomous vehicles

Electric Motor Powertrains
Metal Forging
EV Battery, Charging, Energy Storage Systems, and Recycling
Battery and Parts Charging Equipment
Energy Storage Systems utilizing local minerals in the Philippines for higher value upgrading, including recycling.

Engineering Service Outsourcing
Engineering Service Outsourcing; R&D; Automotive systems design & modelling; AI applications in autonomous vehicles

High-precision sensors
AI-enabled parts;
Augmented Reality/Virtual Reality Technology-enabled parts;
Electric motor powertrains
Metal forging

Electric Batteries, Charging, Energy Storage Systems, and Recycling
Battery and Parts Charging Equipment
Energy Storage Systems utilizing local minerals in the Philippines for higher value upgrading, including recycling.
PH: THE NEXT STRATEGIC HYPERSCALER HUB IN APAC

An underserved market with tremendous potential

Data Center Projected Supply Growth (3-5 years CAGR)

US: mature, well-served markets
Australia considered ‘well-served’ and may see near term rate pressure
Combination of sufficient supply with moderate demand creates stable rate environment
Data localization and demand for lower latency driving emerging markets
Accelerating hyper-scaler inbound

Source: UBS, JLL 2020, BMI, Frost & Sullivan, 451 Research
MNL1 Data Center
$700 million, 72 megawatt facility opening 2022

* SpaceDC company announcement