

Remarks**C06737-2018**

- As previously announced, the approval by the Board of Directors of iPeople, inc.'s ("IPO") parent company, House of Investments, Inc. ("HI"), of the proposed merger between IPO and AC Education, Inc. ("AC Education"), the education arm of Ayala Corporation ("AC"), is covered by the Rule on Disclosure for Substantial Acquisitions and Reverse Takeovers, and the Rule on Additional Listing of Securities. Please refer to C06502-2018 dated October 1, 2018, C06565-2018, C06566-2018 and DN00126-2018 all dated October 2, 2018.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

- Date of Report (Date of earliest event reported)
Oct 8, 2018
- SEC Identification Number
166411
- BIR Tax Identification No.
000-187-926-000
- Exact name of issuer as specified in its charter
iPeople, inc.
- Province, country or other jurisdiction of incorporation
Makati City
- Industry Classification Code(SEC Use Only)
- Address of principal office
3F Grepalife Bldg., 219 Sen. Gil Puyat Ave., Makati City
Postal Code
1200
- Issuer's telephone number, including area code
632-8159636
- Former name or former address, if changed since last report
N/A
- Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	748,933,221

- Indicate the item numbers reported herein
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The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



iPeople, inc. IPO

PSE Disclosure Form LR-1 - Comprehensive Corporate Disclosure on Issuance of Shares (Private Placements, Share Swaps, Property-for-Share Swaps or Conversion of Liabilities/Debt into Equity) Reference: Rule on Additional Listing of Securities

Subject of the Disclosure

House of Investments, Inc. ("HI"), iPeople, inc. ("iPeople"), Ayala Corporation ("AC"), and AC Education, Inc. ("AC Education") signed the definitive agreement, particularly the Memorandum of Agreement (the "MOA"), which provides for, the merger of iPeople and AC Education (the "Merger"), and other transactions to be done and/or definitive documents to be executed as described in the attached.

Background/Description of the Disclosure

HI, iPeople, AC, and AC Education signed the definitive agreement, particularly the MOA, in connection with the merger of iPeople, a subsidiary of HI, with AC Education, a subsidiary of AC. The Merger, which shall be completed as a statutory merger in accordance with Philippine law, shall be subject to the approval of the stockholders of iPeople and AC Education, and the appropriate regulatory authorities, such as the Philippine Competition Commission ("PCC") and the Philippine Securities and Exchange Commission ("SEC").

Post-Merger, iPeople shall be the surviving entity, and upon completion of the Share Purchase (as described in the attached), HI and AC shall have a controlling interest of 51.3% and 33.5% of iPeople, respectively. The entire transaction values the combined entity at approximately ₱15.5 billion.

Date of Approval by Board of Directors

Oct 1, 2018

Comprehensive Corporate Disclosure

Description of the proposed transaction including the timetable for implementation, and related regulatory requirements

Upon SEC approval, iPeople shall issue 295,329,976 in exchange for 1,993,477,338 AC Education shares, inclusive of 132,789,395 AC Education shares to be subscribed by AC prior to filing of Merger application with the SEC. This translates to an exchange ratio of 6.75 shares of AC Education for every 1 share of iPeople.

AC will then acquire additional 54,500,000 shares from the Sellers (as described in the attached).

The price per share is PhP14.84.

The transaction shall be subject to the approvals of the stockholders of iPeople and AC Education, as well as regulatory approvals such as the PCC and SEC.

Rationale for the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction

The Merger will bring together the 7 educational institutions of iPeople and AC Education, which together will offer quality education to students across all income segments, with campuses in Metro Manila, Calabarzon, the Bicol Region, and Mindanao. The Merger will include iPeople and its significant subsidiary, Malayan Education System, Inc. (Operating under the name of Mapúa University) ("MESI"), one of the country's leading engineering and technical universities, a world ranked QS-3 star university and the school with the most Commission on Higher Education Centers of Excellence in Engineering, and its subsidiaries, Malayan Colleges Laguna, the best board exam performing private higher education institution in Calabarzon, Malayan Colleges Mindanao in Davao, and Malayan Science High School in Manila. It will also include AC Education and its subsidiaries, the University of Nueva Caceres, one of the oldest and largest universities in Bicol, National Teachers College, the country's pioneer private teachers' training tertiary education institution, and APEC Schools, the largest chain of private stand-alone high schools in the country.

The aggregate value of the consideration, explaining how this is to be satisfied, including the terms of any agreements for payment on a deferred basis

The aggregate value of PhP5,191,476,843.84 based on a price per share of PhP14.84:

1. PhP4,382,696,843.84 (share-for-share swap)
2. PhP808,780,000.00 (secondary purchase of shares from HI affiliates)

The basis upon which the consideration or the issue value was determined

The final consideration was the result of an agreed price per share between iPeople and AC Education. Valuation for the transaction was done on an arms-length basis using commonly accepted methodologies such as discounted cash flow and comparable valuation multiples.

Detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program. For debt retirement application, state which projects were financed by debt being retired, the project cost, amount of project financed by debt and financing sources for the remaining cost of the project

There is no specific work program. Any cash that remains on the balance sheet as a result of this transaction represents permanent working capital which will be used to fund the company's regular operational and capex requirements.

Identity and/or corporate background of the beneficial owners of the shares subscribed, including the following

Beneficial Owners/Subscribers	Nature of Business	Nature of any material relationship with the Issuer and the parties to the joint venture, their directors/officers or any of their affiliates
Ayala Corporation (AC)	Holding Company	None

Organizational/Ownership Structure of Subscribers

Beneficial Owners/Subscribers	Controlling Shareholders of Subscribers	Number of Shares Held	%
Ayala Corporation (AC)	Mermac, Inc.	296,625,706	47.7

For subscribers with no track record or with no operating history: the Subscriber must present a statement of active business pursuits and objectives which details the step undertaken and proposed to be undertaken by the Issuer in order to advance its business. Projected financial statements shall only be required should there be references made in the Statement to forecasts or targets

Not applicable

The interest which directors of the parties to the transaction have in the proposed transaction

None. The shares arising from the Merger shall be issued to AC.

Statement as to the steps to be taken, if any, to safeguard the interests of any independent shareholders

The Plan of Merger will be presented for the approval of the shareholders representing at least 2/3 of the outstanding capital stock of iPeople. Any dissenting shareholder may exercise his appraisal right in accordance with the Philippine Corporation Code. The approval of the SEC will be secured for the issuance of 295,329,976 shares to AC. The interests of any independent shareholders will not be affected by the Merger. The independent shareholders will continue to be entitled to all safeguards provided by law, including, among others, the right of the shareholders to approve the Merger and the appraisal right of dissenting shareholders to the Merger.

Any conditions precedent to closing of the transaction

The closing of the transaction shall still be subject to the approval of the stockholders of iPeople and AC Education, as well as requisite regulatory approvals, such as the PCC and SEC.

Change(s) in the composition of the Board of Directors and Management

The election of Directors will be reflective of the shareholdings of each parties after the Merger and the Share Purchase. HI and AC will share governance and management of iPeople.

iPeople shall make the necessary disclosure with respect to any other change in the Board of Directors and Management of iPeople at the appropriate time.

Effects on the following**Ownership structure**

Principal Shareholders	Before		After	
	Number of shares	%	Number of shares	%
House of Investments, Inc.	503,098,749	67.18	503,098,749	48.18
Ayala Corporation	0	0	349,829,976	33.5

Capital structure**Issued Shares**

Type of Security /Stock Symbol	Before	After
Common/IPO	748,933,221	1,044,263,197

Outstanding Shares

Type of Security /Stock Symbol	Before	After
Common/IPO	748,933,221	1,044,263,197

Treasury Shares

Type of Security /Stock Symbol	Before	After
Common/IPO	0	0

Listed Shares

Type of Security /Stock Symbol	Before	After
Common/IPO	748,933,221	1,044,263,197

Effect(s) on the public float, if any	The Public Float will drop from 20.46% to 15.20%.
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Effect(s) on foreign ownership level, if any	None
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Other Relevant Information

The MOA by and among iPeople, AC Education, HI, and AC provides for the transactions to be done and/or definitive documents to be executed in order to implement the Merger between iPeople and AC Education and the share purchase agreement.

In relation to the Merger, and in compliance with the requirements of the PCC, the relevant parties will file the PCC Notice within thirty (30) days from the signing of the MOA. iPeople will upload a copy of the MOA upon filing of the aforementioned Notice with the PCC.

The MOA requires that upon obtaining the requisite stockholders' approvals, and not later than thirty (30) days after approval or deemed approval by the PCC of the Merger, among others, the Merger Documents (as described in the attached) shall be executed on or before 15 December 2018, or such longer period as the parties may agree upon in writing. After the execution of the Merger Documents the parties shall file the appropriate application with the SEC for its approval of the Merger.

In relation to the Share Purchase, the MOA provides that the share purchase agreement shall be executed by AC and the Sellers prior to filing of the merger documents with the SEC, or such longer period as the parties may agree upon in writing, with the closing of such share purchase to be implemented no later than five (5) business days from the SEC approval of the Merger. The share purchase agreement will not include any issuance of iPeople shares.

In relation to the Purchase of MESI Shares (as described in the attached), the MOA provides that the same shall be executed no later than five (5) business days from the completion of the Merger and the Share Purchase.

Filed on behalf by:

Name	Ma. Esperanza Joven
Designation	Vice President