



iPeople

A YGC Member

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October 1, 2018

Philippine Stock Exchange

6/F, PSE Tower,
5th Avenue cor. 28th street,
Bonifacio Global City, Taguig City

Attention: JOSE VALERIANO B. ZUÑO III
Head, Disclosure Department

Greetings:

Further to our disclosure dated January 8, 2018, please be informed that iPeople, inc. ("iPeople"), the House of Investments, Inc. ("HI"), Ayala Corporation ("AC"), and AC Education, Inc. ("AC Education") signed the definitive agreement 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.

Post-merger, listed iPeople shall be the surviving entity with HI and AC controlling 51.3% and 33.5%, respectively. The transaction values the combined entity approximately at Php15.5 billion.

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 Mapua University), one of the country's leading engineering and technical universities, a world ranked QS-3 star university and the school with the most CHED 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.

Thank you.

Very truly yours,


MA. ESPERANZA F. JOVEN
Corporate Information Officer



House of Investments and Ayala Announce Strategic Merger of Education Companies

MAKATI, Philippines – October 1, 2018 House of Investments Inc. (“HI”), HI’s education holding company iPeople, inc. (“iPeople”), Ayala Corporation (“AC”) and AC’s wholly-owned education subsidiary AC Education, Inc. (“AC Education”) signed the definitive agreements for the merger of AC Education with iPeople. The merger shall be subject to the approval of the stockholders of AC Education and iPeople, and securing the necessary regulatory approvals. Post-merger, listed iPeople shall be the surviving entity, with HI and AC controlling 51.3% and 33.5%, respectively. The transaction values the combined entity at approximately Php15.5 billion.

HI and AC will share governance and management of iPeople which, as a result of this strategic partnership, will become one of the leading education groups in the country, with almost 60,000 students.

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 Mapua University), one of the country’s leading engineering and technical universities, a world ranked QS-3 star university and the school with the most CHED 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.

“We are looking forward to the merger of AC Education and iPeople. Mapua's reputation as a leading private engineering and technical university in the country, together with AC Education's tested ability to provide affordable quality education, leading to the employability of its graduates, would enable the Yuchengco-owned House of Investments and Ayala Corporation to jointly contribute, in a bigger scale, to the Philippines and all sectors of society. Together, our schools will not only aim at educating our youth but also at preparing our graduates to become major players in sustainable businesses driven by adaptive technology,” said Mrs. Helen Y. Dee, Chairperson of House of Investments.

“We are looking forward to working closely with the Yuchengcos’ House of Investments in helping to build the nation through education. We believe that combining our resources and capabilities will allow us to, together, enable many more Filipinos to achieve their dreams of a better life for themselves, their families and communities, by arming them with the values, critical thinking, global mindset and 21st century skills that are necessary to succeed in this rapidly changing world,” said Jaime Augusto Zobel de Ayala, Chairman and CEO of Ayala Corporation.

BPI Capital Corporation acted as the exclusive financial adviser to AC Education while RCBC Capital Corporation acted as the exclusive financial adviser to iPeople.

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