

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

1. Date of Report (Date of earliest event reported)
Feb 8, 2019
2. SEC Identification Number
166411
3. BIR Tax Identification No.
000-187-926-000
4. Exact name of issuer as specified in its charter
iPeople, inc.
5. Province, country or other jurisdiction of incorporation
Makati City, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
3rd Floor Grepalife Building 219 Sen Gil Puyat Ave., Makati City, Metro Manila,
Philippines
Postal Code
1200
8. Issuer's telephone number, including area code
(632) 815-9636
9. Former name or former address, if changed since last report
N/A
10. 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 Shares Php1.00	748,933,221

11. 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 4-23 - Mergers and Consolidations
References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 and/or Section 5 of the Revised Disclosure Rules

Subject of the Disclosure

iPeople, inc. (“iPeople”) and AC Education, Inc. (“AC Education”) have filed the Plan and Articles of Merger with the Securities and Exchange Commission

Background/Description of the Disclosure

Today, February 08, 2019, iPeople, inc., a subsidiary of House of Investments, Inc., and AC Education, Inc., a wholly owned subsidiary of Ayala Corporation, have filed the Plan and Articles of Merger with the Securities and Exchange Commission.

On October 1, 2018, 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.

Date of Approval by Board of Directors	Oct 1, 2018
Date of Approval by Stockholders	Dec 12, 2018
Other Relevant Regulatory Agency, if applicable	SEC, PCC, BIR
Date of Approval by Relevant Regulatory Agency	Dec 6, 2018
Date of Approval by Securities and Exchange Commission	TBA

Rationale for the transaction including the benefits which are expected to be accrued to the 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 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.

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

Merger between iPeople and AC Education, with iPeople as the surviving entity. The transaction shall be subject to the approvals of the stockholders of iPeople and AC Education, as well as regulatory approvals such as the Philippine Competition Commission and the Securities Exchange Commission.

Target effectivity date for the merger is within the first half of 2019.

Identities of the parties to the transaction

Name	Nature of Business	Nature of any material relationship with the Issuer, their directors/officers or any of their affiliates
AC Education, Inc.	Education Sector	100% subsidiary of Ayala Corporation

Terms and conditions of the transaction

Plan of merger

The merger involves an exchange of shares between iPeople and AC Education, which translates to an exchange ratio of 6.75 shares of AC Education for every 1 share of iPeople.

Ratio of exchange of shares

The merger involves an exchange of shares between iPeople and AC Education, which translates to an exchange ratio of 6.75 shares of AC Education for every 1 share of iPeople.

Basis upon which the exchange ratio was determined

The final consideration was the result of an agreed price per share between iPeople and AC Education. Valuation analysis was conducted by RCBC Capital Corporation (financial advisor to iPeople) and BPI Capital Corporation (financial advisor to AC Education), through a discounted cash flow approach, as well as trading and transaction comparables analysis.

Number of shares subject of the merger

Upon SEC approval, iPeople shall issue 295,329,976 common shares from its authorized and unissued capital stock in exchange for 1,993,477,338 AC Education shares, inclusive of 132,789,395 AC Education shares to be subscribed by Ayala Corporation prior to filing of Merger application with the SEC, AC will then acquire additional 54,500,000 shares from exiting HI affiliates.

The price per share is P14.84 or an aggregate amount of P5,191,476,843.84

Timetable

Target effectivity date for the merger is within the first half of 2019.

Conditions precedent to closing of the transaction, if any

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 Philippine Competition Commission and the Securities and Exchange Commission.

Procedures for exchange

TBA

Description of the company subject of the transaction

Nature and business

Education Sector

Discussion of major projects and investments

AC Education, Inc. is the wholly-owned education arm of Ayala Corporation. AC Education aims to deliver inclusive, quality education which improves employability for its high school and college graduates. AC Education achieves this through student value-add programs, industry-based experiential learning methods, systematic teacher training, an emphasis on values and life skills, and a strong employer-partner network.

AC Education's basic education arm, Affordable Private Education Center Inc. (APEC), is the largest chain of stand-alone private high schools in the country with over 18,000 students in the Greater Manila area. APEC offers both Junior High School and Senior High School programs.

AC Education owns 59 percent of University of Nueva Caceres (UNC), one of the largest universities in the Bicol region with over 8,500 students. Its largest colleges are in Engineering and Architecture, Business & Accountancy and Education.

In early 2018, AC Education acquired National Teachers College (NTC) which offers Basic to Higher Education to over 12,000 students. Located in the Quiapo, Manila, NTC is one of the most well recognized teacher education institutions in the country and also offers programs in Accountancy & Business, Arts & Science, Hospitality Management and Information Technology.

List of subsidiaries and affiliates, with percentage holdings

Name	% Ownership
Affordable Private Education Center, Inc. (APEC)	70.64
AC College of Enterprise and Technology, Inc (ACCET)	100
LINC Institute, Inc	100
National Teachers College (NTC)	91
University of Nueva Caceres (UNC)	58.46

Capital structure

Authorized capital stock

Type of Security /Stock Symbol	Amount	Number of Shares
Common Shares	P2,150,000,000	2,150,000,000

Subscribed Shares

Type of Security /Stock Symbol	Amount	Number of Shares
Common Shares	P1,860,687,943	1,860,687,943

Paid-Up Capital

Amount	P2,969,379,426
Number of Shares	1,860,687,943

Issued Shares

Type of Security /Stock Symbol	Amount	Number of Shares
Common Shares	P1,860,687,943	1,860,687,943

Outstanding Shares

Type of Security /Stock Symbol	Amount	Number of Shares
Common Shares	P1,860,687,943	1,860,687,943

Par Value

Type of Security /Stock Symbol	Amount
Common Shares	P1.00

Ownership Structure (including percentage holdings)

Name	Number of Shares	% Ownership
Ayala Corporation	1,860,687,936	100
Jaime Augusto Zobel de Ayala	1	0
Fernando Zobel de Ayala	1	0
Alfredo I. Ayala	1	0
Jose Teodoro K. Limcaoco	1	0
Solomon M. Hermosura	1	0
Paolo Maximo F. Borromeo	1	0
John Eric T. Francia	1	0

Board of Directors

Name	(Regular or Independent)
Jaime Augusto Zobel de Ayala	Regular
Fernando Zobel de Ayala	Regular
Alfredo I. Ayala	Regular
Jose Teodoro K. Limcaoco	Regular
Solomon M. Hermosura	Regular
Paolo Maximo F. Borromeo	Regular
John Eric T. Francia	Regular

Principal Officers

Name	Position/Designation
Jaime Augusto Zobel de Ayala	Chairman
Alfredo I. Ayala	President and Chief Executive Officer
Solomon M. Hermosura	Corporate Secretary
Rosallie A. Dimaano	Treasurer and Chief Finance Officer
Joanne M. Lim	Assistant Corporate Secretary
Ma. Gloria Suzette B. Taala	Data Protection Officer

Effect(s)/impact on the business, financial condition and operations of the Issuer

TBA

Other Relevant Information

1. PCC approval on December 6, 2018
2. Stockholder's approval on December 12, 2018
3. Execution of the Plan and Articles of Merger on January 31, 2019
4. Filing of the Plan and Articles of Merger with the SEC on February 08, 2019

Filed on behalf by:

Name	Ma. Esperanza Joven
Designation	Vice President