



November 12, 2021

Securities and Exchange Commission
SEC Building, Mandaluyong City

Attention: **Director Vicente Graciano P. Felizmenio, Jr.**
Director, Markets and Securities Regulation Department

The Philippine Stock Exchange, Inc.
6/F Philippine Stock Exchange Tower
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Philippine Dealing and Exchange Corporation
29/F BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: **Atty. Marie Rose M. Magallen-Lirio**
Head, Issuer Compliance and Disclosure Department

Mesdames/Gentlemen:

Ayala Corporation disclosed that Ayala Corporation's wholly owned subsidiary, AC Logistics Holdings Corporation, signed an Investment Agreement for 60% interest in Air21 Holdings Inc.

Please refer to the attached disclosure submitted to the Philippine Stock Exchange.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'A. de Larrazabal', written over a horizontal line.

Alberto M. de Larrazabal
Chief Finance Officer

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.



Ayala Corporation AC

PSE Disclosure Form 4-2 - Acquisition/Disposition of Shares of Another Corporation References: SRC Rule 17 (SEC Form 17-C) and Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

Ayala Corporation's wholly owned subsidiary, AC Logistics Holdings Corporation, signs an Investment Agreement for 60% interest in Air21 Holdings Inc.

Background/Description of the Disclosure

On 11 November 2021, Ayala Corporation's ("AC") new logistics arm, AC Logistics, signed an Investment Agreement with Mr. Alberto D. Lina ("Mr. Lina"), Air 21 Holdings Inc. ("AHI"), Airfreight 2100, Incorporated ("AIR21"), Air 2100, Inc. ("AIR21 Subic"), U-Freight Phils., Inc. ("U-Freight"), U-Ocean, Inc. ("U-Ocean"), Cargohaus, Inc. ("CHI"), LGC Logistics, Inc. ("LGC"), Waste & Resources Management, Inc. ("WARM"), and Integrated Waste Management, Inc. ("IWMI") to acquire a 60% interest in AHI for Php 6bn through acquisition of secondary shares and subscription to primary shares, subject to the satisfaction of closing conditions precedents.

AHI is a holding company owned by Mr. Lina that will consolidate his equity interests in AIR21, AIR21 Subic, U-Freight, U-Ocean, CHI, LGC, WARM and IWMI.

The transactions contemplated in the Investment Agreement are subject to the satisfaction of closing conditions precedent.

Date of Approval by Board of Directors

Apr 23, 2021

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

The acquisition in AHI gives AC Logistics, through the various subsidiaries of AHI, an end-to-end logistics platform capable of serving the supply chain requirements of multiple industries in high-growth markets. The AIR21 Group is engaged in a broad range of supply chain services covering, door to door express delivery, international and domestic freight forwarding, warehousing and waste logistics management.

Details of the acquisition or disposition

Date

TBA

Manner

The acquisition of 60% interest in AHI will be through acquisition of secondary shares and subscription to primary shares, subject to closing conditions precedent.

Description of the company to be acquired or sold

AHI is a holding company owned by Mr. Lina that will consolidate his equity interests in AIR21, AIR21 Subic, U-Freight, U-Ocean, CHI, LGC, WARM and IWMI. These companies provide a broad range of logistics services that include, door to door express delivery, international and domestic freight forwarding, warehousing and waste logistics management.

The terms and conditions of the transaction

Number of shares to be acquired or disposed	2,602,489,440
Percentage to the total outstanding shares of the company subject of the transaction	60
Price per share	Less than 10% of AC's total equity

Nature and amount of consideration given or received

Php 6.06 billion

Principle followed in determining the amount of consideration

Comparable market multiples, discounted cashflow methodology, and other relevant metrics

Terms of payment

Proceeds shall be released to Mr. Lina, and subscription payments shall be paid to AHI, upon the satisfaction of closing conditions precedent ("Financial Close").

Conditions precedent to closing of the transaction, if any

To achieve the Financial Close, there are conditions precedents that Mr. Lina will need to fulfill which includes the completion of the consolidation of Mr. Lina's equity interest in the operating companies in AHI, completion of due diligence with results satisfactory to AC Logistics and getting regulatory approvals.

Any other salient terms

N/a

Identity of the person(s) from whom the shares were acquired or to whom they were sold

Name	Nature of any material relationship with the Issuer, their directors/ officers, or any of their affiliates
Alberto D. Lina	None
Sylvia P. Lina	None
Lucia Jane P. Lina	None
Emmanuel C. Alcantara	None
Antonio L. Tanada	None

Effect(s) on the business, financial condition and operations of the Issuer, if any

The investment in AHI will provide AC Logistics with an end-to-end supply chain platform that is capable to service the needs of growing and evolving industries and ecosystems.

Other Relevant Information