

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17(a)-1(b)(3) THEREUNDER

1. May 17, 2024
Date of Report (Date of earliest event reported)
2. 34218
SEC Identification Number
3. 000-153-610-000
BIR Tax Identification Number
4. AYALA CORPORATION
Exact Name of registrant as specified in its charter
5. PHILIPPINES
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code
7. 37F to 39F, Ayala Triangle Gardens Tower 2, Paseo de Roxas
cor Makati Avenue, Makati City
Address of principal office
- 1226
Postal code
8. (02)7908-3000
Registrant's telephone number, including area code
9. N/A
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	619,807,425 shares
Preferred A Series 1 Shares	5,244,515 shares
Preferred B Series 2 Shares	30,000,000 shares
Voting Preferred Shares	200,000,000 shares

: Item 9- Other Events

Re: Divestment of Ayala Group's investment in Manila Water Company, Inc. ("MWC")

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AYALA CORPORATION

Registrant

Date : **May 17, 2024**

Jose Martin C. Lopez

Head – Investor Relations

* Print name and title of the signing officer under the signature.

May 17, 2024

Securities and Exchange Commission

17/F SEC Headquarters, 7907 Makati Avenue
Barangay Bel-Air, Makati City

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

The Philippine Stock Exchange, Inc.

6/F PSE Tower
5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City

Attention: **Ms. Alexandra D. Tom Wong**
Officer-In-Charge, Disclosure Department

Philippine Dealing and Exchange Corporation

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

Attention: **Atty. Suzy Claire R. Selleza**
Head, Issuer Compliance and Disclosure Department

Mesdames/Gentlemen:

Please be informed that further to the earlier disclosure regarding approval by the Executive Committee of Ayala Corporation ("AC"), AC and its wholly-owned subsidiary, Michigan Holdings, Inc. ("Michigan") executed with Trident Water Company Holdings, Inc. ("Trident") the underlying agreements for the special block sales covering AC's and Michigan's 577,997,467 MWC common shares.

Philwater Holdings Company, Inc. ("Philwater"), another wholly-owned subsidiary of AC, and Trident will also be executing a Deed of Absolute Sale for the sale of Philwater's 872,487,863 MWC preferred shares.

Very Truly Yours,



Jose Martin C. Lopez
Head, Investor Relations

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)

May 17, 2024

2. SEC Identification Number

34218

3. BIR Tax Identification No.

000-153-610-00

4. Exact name of issuer as specified in its charter

AYALA CORPORATION

5. Province, country or other jurisdiction of incorporation

PHILIPPINES

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

37F to 39F, Ayala Triangle Gardens Tower 2, Paseo de Roxas cor Makati Avenue, Makati City

Postal Code

1226

8. Issuer's telephone number, including area code

(02)7908-3000

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	619,807,425
Preferred A Series 1 Shares	5,244,515
Preferred B Series 1 Shares	20,000,000
Preferred B Series 2 Shares	30,000,000
Voting Preferred Shares	200,000,000

11. Indicate the item numbers reported herein

Item 9

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

Divestment of Ayala Group's investment in Manila Water Company, Inc. ("MWC")

Background/Description of the Disclosure

Further to the earlier disclosure regarding approval by the Executive Committee of Ayala Corporation ("AC"), AC and its wholly-owned subsidiary, Michigan Holdings, Inc. ("Michigan") executed with Trident Water Company Holdings, Inc. ("Trident") the underlying agreements for the special block sales covering AC's and Michigan's 577,997,467 MWC common shares.

Philwater Holdings Company, Inc. ("Philwater"), another wholly-owned subsidiary of AC, and Trident will also be executing a Deed of Absolute Sale for the sale of Philwater's 872,487,863 MWC preferred shares.

The gross consideration for these transactions among AC, Michigan, and Philwater (collectively, "Ayala"), and Trident will be ~P14.5 billion.

Post-completion of these transactions, Ayala will no longer hold common shares of MWC and its voting stake will be nil (0%) as a result of the block sale and voting proxy to be issued in favor of Trident vis-à-vis the participating preferred shares. However, Ayala will retain an effective 12.08% economic stake through the preferred shares which will be paid on an installment basis (details below). Once the preferred shares have been fully paid for in 2029, Ayala's economic stake in MWC will drop to zero.

Date of Approval by Board of Directors

May 16, 2024

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

The transactions are aligned with AC's strategy to rationalize its portfolio and raise P50 billion in proceeds. With these transactions, the total proceeds raised from AC's portfolio rationalization initiatives will be ~P51.5 billion.

The proceeds will be used to pare down debt and/or fund future investments.

Details of the acquisition or disposition

Date

May 17, 2024

Manner

AC's and Michigan's special block sales of common shares in MWC will be through the Philippine Stock Exchange while Philwater's sale of participating preferred shares in MWC, to Trident Water Company Holdings, Inc. will be done through the execution of a Deed of Absolute Sale.

Description of the company to be acquired or sold

MWC provides water treatment, water distribution, sewerage, and sanitation services to more than seven million people in the eastern side of Metro Manila (East Zone). The East Zone encompasses 24 cities and municipalities spanning a 1,400 square-kilometer area including key cities, towns, and municipalities in Metro Manila.

The terms and conditions of the transaction

Number of shares to be acquired or disposed	1,450,485,330
Percentage to the total outstanding shares of the company subject of the transaction	23.6
Price per share	See below

Nature and amount of consideration given or received

Cash settlement through crossing broker of ~P12.9 billion (before taxes and friction costs) for the common shares and installment payments of ~P1.6 billion spread over 2024-2029 for the preferred shares for a total consideration of ~P14.5 billion.

Principle followed in determining the amount of consideration

MWC common shares were priced at P22.361/share based on a 30-day volume-weighted average price as of May 16, 2024, less a 7.2% block discount.

Preferred shares were priced on a negotiated basis at P1.844/share.

Terms of payment

Cash settlement through crossing broker of the aggregate amount of ~P12.9 billion for the common shares sold by AC and Michigan to Trident Water Company Holdings, Inc.

The purchase price of ~P1.6 billion for the preferred shares shall be paid in the following manner: annual payments from 2024 to 2029 consisting of a downpayment upon execution of the Deed of Absolute Sale and five (5) equal payments for the next five years.

Conditions precedent to closing of the transaction, if any

Approval by the Philippine Stock Exchange of the special block sales (i) between AC and Trident; and (ii) between Michigan and Trident.

Any other salient terms

None.

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
Trident Water Company Holdings, Inc.	No relationship

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

Nothing material.

Other Relevant Information

None