

February 27, 2018

THE PHILIPPINE STOCK EXCHANGE, INC.

Disclosure Department

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

Attention: **Mr. Jose Valeriano B. Zuño III**
Head of Disclosure Department

Subject: **Acquisition of Art of Click Pte. Ltd.**

Gentlemen:

We refer to the Exchange's query which Xurpas Inc. (the "**Company**") received on February 26, 2018 regarding the amendment of the Share Purchase Agreement executed on October 6, 2016 pertaining to its acquisition of 100% of the shares in Art of Click Pte. Ltd ("**AOC**").

In relation thereto, please see below additional information being requested by the Exchange in relation to the placement and subscription transaction involving 67,285,706 Xurpas Shares by way of a block sale through the facilities of the Exchange:

1. Description of the proposed transaction and related regulatory requirements

As disclosed on February 22, 2018, the Board of Directors of the Company approved the amendment of the Share Purchase Agreement executed on October 6, 2016 pertaining to its acquisition of 100% of the shares in AOC.

As provided in the agreement, Xurpas shall pay Wavemaker Labs Pte. Ltd. ("**Wavemaker**") by way of cash as consideration for the AOC shares. Part of the cash to be received by Wavemaker shall be used by the latter to acquire listed shares from Messrs. Nico Jose S. Nollado, Raymond Gerard S. Racaza and Fernando Jude F. Garcia ("**Advancing Shareholders**").

Wavemaker acquired 67,285,706 Xurpas shares (the "**Shares**") from the Advancing Shareholders at a price of Php3.80 per share ("**Offer Price**"), which is based on the last traded price of Xurpas shares as of February 21, 2018. Accordingly, the Advancing Shareholders will subscribe to the same number of unlisted shares at Offer Price ("**Subscription Shares**").

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

The transaction described in item one concludes the implementation of the Xurpas' acquisition of AOC.

3. Name(s) of the related parties who will place its existing listed shares to a third parties

The following shareholders have sold its listed shares to Wavemaker:

Name	Position	No. of Shares
Nico Jose S. Nollado	Chairman and Chief Executive Officer	22,428,569
Raymond Gerard S. Racaza	Director, President and Chief Operating Officer	22,428,568
Fernando Jude F. Garcia	Director and Chief Technology Officer	22,428,569
Total		67,285,706

4. Basis for setting such price

The Offer Price was based on the last traded price of Xurpas shares or Php3.80 per share as of February 21, 2018.

5. Subscription price of the shares under the subscription tranche and terms of payment

The subscription price for the shares to be issued to the Advancing Shareholders shall also be at Offer Price.

6. Total transaction value

Total transaction value is at Php255,685,682.80 for the sale of the Shares to Wavemaker. The same amount received by the Advancing Shareholders from Wavemaker were used to subscribe to shares in the Company.

7. Timetable of the placing and subscription transaction

The Exchange approved the application for block sale on 22 February 2018. Accordingly, the Shares were transferred to Wavemaker on the same date.

The Company shall apply for the listing of the Subscription Shares with the PSE as soon as practicable.

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

Not Applicable.

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

There is no change in the composition of the Board of Directors and Management.

10. Any conditions precedent to closing of the transaction

Not Applicable.

11. Effect(s) on the ownership structure

Principal Shareholder	Before		After	
	Number of Shares	%	Number of Shares	%
Nico Jose S. Nollado	415,765,960	23.05	415,765,960	22.22
Raymond Gerard S. Racaza	415,765,960	23.05	415,765,960	22.22
Fernando Jude F. Garcia	415,765,960	23.05	415,765,960	22.22
Others	556,356,624	30.85	623,642,330	33.33
Total	1,803,654,504	100%	1,870,940,210	100%

12. Effect(s) on the capital structure

	Type of Security	Before	After
Issued Shares	Common Shares	1,867,640,146	1,934,925,852
Outstanding Shares	Common Shares	1,803,654,504	1,870,940,210
Treasury Shares	Common Shares	63,985,642	63,985,642
Listed Shares	Common Shares	1,797,700,660	1,797,700,660

13. Effect(s) on foreign ownership level and public float, if any; and

- a. Public Float increased to 31.59%
- b. Foreign ownership level will increase.

14. Any other relevant information.

None.

The above information is being submitted in compliance with the disclosure rules of the Exchange.

Very truly yours,

MARK S. GORRICETA

*Corporate Secretary, Chief Legal Officer
And Assistant Chief Information Officer*