

# 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 11, 2021
2. SEC Identification Number  
154675
3. BIR Tax Identification No.  
948-229-000
4. Exact name of issuer as specified in its charter  
CEBU AIR, INC.
5. Province, country or other jurisdiction of incorporation  
Cebu City, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
Level 4 Unit 4030-4031, Robinsons Galleria Cebu, General Maxilom Avenue cor. Sergio  
Osmena Boulevard, Cebu City  
Postal Code  
6000
8. Issuer's telephone number, including area code  
(632) 8802-7000
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	600,316,700
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.*

# Cebu Air, Inc.

## CEB

**PSE Disclosure Form 4-14 - Stock Rights Offering**  
**References: SRC Rule 17 (SEC Form 17-C) and**  
**Section 4.4 of the Revised Disclosure Rules**

### Subject of the Disclosure

Stock Rights Offering of Convertible Preferred Shares

### Background/Description of the Disclosure

On October 7, 2020, the Board of Directors of Cebu Air, Inc. (the "Corporation") approved the:

1. Offer for sale or subscription of the Convertible Preferred Shares via a stock rights offering and delegation of authority to the Board of Directors to determine the terms and conditions of the offering, including the transaction price, the number of shares to be offered, and to engage the services of underwriters, advisors, legal counsel, and other agents as may be necessary, proper or desirable to ensure the success of the offering; and
2. Listing of the (a) Convertible Preferred Shares and the (b) underlying common shares of the Convertible Preferred Shares with the Philippine Stock Exchange ("PSE").

The stockholders approved the following at the Special Stockholders' Meeting held on 20 November 2020:

1. Offer for sale or subscription of the Convertible Preferred Shares via a stock rights offering and delegation of authority to the Board of Directors to determine the terms and conditions of the offering, including the transaction price, the number of shares to be offered, and to engage the services of underwriters, advisors, legal counsel, and other agents as may be necessary, proper or desirable to ensure the success of the offering, which was approved by stockholders representing 87.33% of the total outstanding capital stock of the Corporation; and
2. Listing of the (a) Convertible Preferred Shares and the (b) underlying common shares of the Convertible Preferred Shares with the Philippine Stock Exchange ("PSE"), which was approved by stockholders representing 87.36% of the total outstanding capital stock of the Corporation.

In consideration of the possible limitations that potential eligible shareholders may face given the current rules and requirements imposed on dollar denominated securities ("DDS") vis-à-vis the proposed application and payment process for the contemplated stock rights offer of the Corporation of up to US\$250,000,000.00 convertible preferred shares (the "Offer"), the Offer has been redenominated from U.S. Dollars to Philippine Peso to allow wider participation from all potential eligible shareholders, particularly the retail shareholders of the Corporation. Consequently, the Offer will now be up to PHP[12,500,000,000] convertible preferred shares. Adjustments to the indicative timetable of the Offer have also been made to accommodate the completion of the necessary regulatory requirements to implement the redenomination.

The indicative timeline for the Dividend Rate and Conversion Price Setting Date is February 15, 2021 and the indicative timeline for the Listing Date is March 29, 2021.

This disclosure is being amended to update the Offer Price as well as the details reflected on the Use of Proceeds.

<b>Date of Approval by Board of Directors</b>	Oct 7, 2020
<b>Entitlement Ratio</b>	TBA
<b>Offer Price</b>	PHP[38.00-45.00] per Entitlement Right
<b>Number of Shares to be Offered</b>	TBA
<b>Ex-Rights Date</b>	Feb 22, 2021

<b>Record Date</b>	Feb 26, 2021
<b>Start of Offer Period</b>	Mar 3, 2021
<b>End of Offer Period</b>	Mar 9, 2021

#### Use of Proceeds

The Corporation intends to use the net proceeds from the Offer to strengthen the Corporation's balance sheet by providing liquidity to address its financial liabilities which include: (a) PHP4.805 billion allocation for repayment of an advance by JG Summit Philippines Ltd. ("JGSPL"); (b) PHP3.913 billion allocation for aircraft operating lease payments due in 2021; (c) PHP3.328 billion allocation for principal debt repayments due in 2021; and (d) PHP0.384 billion allocation for general corporate purposes, which are primarily for passenger refunds in case cash inflows from operations become insufficient as a consequence of the COVID-19 pandemic's impact to health and travel related concerns.

The foregoing discussion represents a best estimate of the use of proceeds of the Offer based on the Corporation's current plans and anticipated expenditures. The plans may change based on factors including changing market conditions or new information regarding the cost or feasibility of the plans. The Corporation's cost estimates may also change as actual costs may be different from the budgeted costs. For these reasons, the Corporation may find it necessary or advisable to reallocate the net proceeds with the categories described above, or to alter the plans, including the abandonment of the projects described above and/or pursuit of different projects.

#### Other Relevant Information

As reflected above, the indicative timeline for the Dividend Rate and Conversion Price Setting Date is February 15, 2021 and the indicative timeline for the Listing Date is March 29, 2021.

The above revised indicative timetable is subject to change depending on, among others, relevant regulatory approvals and market conditions. This timetable supersedes any other timetable previously communicated.

The Company will update you on further developments, if any.

#### Filed on behalf by:

<b>Name</b>	Anne Romadine Tieng
<b>Designation</b>	Vice-President, Legal Affairs