



IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO: FSD OF 2023 (145)

IN THE MATTER OF THE COMPANIES ACT (2023 REVISION)

AND IN THE MATTER OF ROCKLEY PHOTONICS HOLDINGS LIMITED

PETITION FOR APPOINTMENT OF RESTRUCTURING OFFICERS

To the Grand Court

The humble petition of Rockley Photonics Holdings Limited (the "**Company**" / the "**Petitioner**") (the "**Petition**") shows that:

The Company

1. The Company is an exempted limited company that was incorporated on 11 March 2021 under the Companies Act (as Revised) with registration number 372789. It has its registered office at International Corporation Services Ltd, PO Box 472, Harbour Place, 2nd Floor, North Wing, 103 South Church Street, George Town, Grand Cayman, KY1-1106, Cayman Islands.
2. The objects for which the Company is established are unrestricted and the Company has full power and authority to carry out any object not prohibited by

the Companies Act of the Cayman Islands, as the same may be revised from time to time, or any other law of the Cayman Islands.

3. The initial issued share capital of the Company is US\$50,000 divided into 12,417,500,000 shares of a nominal or par value of US\$0.000004026575398 each. As of 30 September 2022, there were approximately 132,660,683 shares issued and outstanding.
4. The Company is listed on the New York Stock Exchange, with stock code RKLY.

The Company's business

5. The Company is the holding company of a group of companies and is headquartered in the United Kingdom (such group together, the "**Rockley Group**"). The Rockley Group employs 224 total employees, 219 of which are full-time employees. The Rockley Group has laboratory facilities in Wales, England, and recently entered into a facilities access agreement for a new laboratory at the Tyndall Institute in Cork, Ireland. The Rockley Group has multiple facilities in the United States, including approximately 18,000 square feet in Pasadena, California under multiple leases, which is predominantly used for engineering, finance, and general administration services. The Rockley Group also has a property in San Jose, California, which is predominantly used for sales and marketing, finance, and general administration services.
6. The Rockley Group is a global medical technology company that specialises in the research and development of integrated silicon photonics chipsets. In particular, the Rockley Group has developed a unique sensing platform that may reshape the health and wellness and healthcare industries through multiple applications in non-invasive, multi-modal biomarker monitoring.
7. The Rockley Group has developed two separate product offerings to address its target markets: (i) VitalSpex (consumer domain); and (ii) Bioptx (healthcare and medtech).

Grounds for appointment of Restructuring Officers

8. Pursuant to section 91B(1) of the Companies Act (2023 Revision) (the "**Companies Act**") the Company presents this petition seeking the appointment of restructuring officers on the grounds that the Company:
- (a) is or is likely to become unable to pay its debts and is therefore insolvent within the meaning of section 93 of the Companies Act; and
 - (b) intends to present a plan of reorganisation (the "**Plan**") to its creditors (or classes thereof) for approval pursuant to title 11 of the United States Code (the "**Bankruptcy Code**").

Restructuring proposal

9. The directors of the Company, together with professional advisors retained by the Rockley Group, have already taken steps to engage with the Company's creditors with a view to consensually developing the terms of a proposed restructuring of the Company's financial indebtedness (the "**Restructuring**").
10. The Company has engaged experienced professional advisors including, amongst others, Alvarez & Marsal US, Pillsbury Winthrop Shaw Pittman LLP (as US counsel), Walkers (as Cayman Islands counsel) and Jeffries LLC (as investment banker), and it continues to work with such professional advisors to finalise the terms of the Plan with the Company's creditors with the intention of presenting such Plan in connection with the filing of a petition for bankruptcy protection under the Bankruptcy Code and a petition for the appointment of Restructuring Officers under the Companies Act.

Nomination of Restructuring Officers

11. The Company nominates Mr Christopher Barnett Kennedy and Mr Alexander Lawson of Alvarez & Marsal Cayman Islands Limited, 2nd Floor, Flagship Building, 142 Seafarers Way, P.O. Box 2507, George Town, Grand Cayman KY1-1104, Cayman Islands to act as the joint restructuring officers of the

Company (the "**Restructuring Officers**"), with the power to act jointly or severally.

YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT:

1. Mr Christopher Barnett Kennedy and Mr Alexander Lawson of Alvarez & Marsal Cayman Islands Limited, 2nd Floor, Flagship Building, 142 Seafarers Way, P.O. Box 2507, George Town, Grand Cayman KY1-1104, Cayman Islands be appointed as the Restructuring Officers of the Company.
2. The Restructuring Officers shall not be required to give security for their appointment.
3. The Restructuring Officers, acting jointly and severally, and without prejudice to the powers proposed to be retained by the Company's board of directors (the "**Board**") pursuant to paragraph 5 below, shall, unless and until a further order of this Honourable Court is made to the contrary, be authorised to take the following actions, within and outside of the Cayman Islands, without further sanction by this Honourable Court:
 - (a) monitor, oversee and supervise the Board in its management of the Company, and take all necessary steps to develop and implement a restructuring of the Company's financial indebtedness in consultation with the Board and under the general supervision of this Honourable Court:
 - (i) in a manner designed to allow the Rockley Group to continue as a going concern;
 - (ii) including (without limitation) by way of the Plan negotiated with the current noteholders of the Company (the "**Prepetition Noteholders**"), which may include: (a) entering into definitive documentation in connection with the reorganised Company ("**Reorganised Rockley**")'s entry into a US\$20.7 million senior secured exit financing; (b) issuance of new equity in the

Reorganised Rockley in connection with the conversion of the existing secured notes of the Company into equity in the Reorganised Rockley; (c) issuance of up to US\$20 million of new equity in the Reorganised Rockley for subscription by the Prepetition Noteholders; (d) execution and delivery of the new governance documents for the Reorganised Rockley; (e) discharge and extinguishment of certain subordinated claims; (f) institution of a management incentive program for the issuance of 10% of the equity in the Reorganised Rockley that is dilutive to the equity issued pursuant to paragraphs (b) and (c) above, and/or (g) a disposal or transfer of certain of the assets of the Company and/or the Rockley Group with a view to maximising value and returns for the creditors of the Company,

(collectively, the "**Restructuring Transactions**");

- (b) commence or continue any application seeking recognition of these proceedings (the "**Restructuring Proceedings**") and/or the sanction, approval or comparable recognition and/or approval of the Restructuring, including recognition of the appointment of the Restructuring Officers in any jurisdiction that the Restructuring Officers consider necessary, together with such other relief as they may consider necessary for the proper exercise of their functions and consummation of the Restructuring within that jurisdiction;
- (c) review the actions and activities of the Board and the continuation of the business of the Company and/or the Rockley Group (and attend Board meetings of the Rockley Group entities) so as to ensure that the Board is acting with a view to protecting the position of, and maximising returns to, the creditors and other stakeholders of the Company;
- (d) review and approve in advance filings to be made by the Company with regulatory bodies, and responses to quasi-governmental bodies as appropriate;

- (e) seek out investors and financiers for the purpose of investing in and/or providing finance to the Company;
- (f) monitor, consult with and otherwise liaise with the creditors and shareholders of the Company to determine whether the Restructuring will be successfully approved and implemented;
- (g) review the financial position of the Company and the Rockley Group, and, in particular, assess the feasibility of proposals for the Restructuring;
- (h) as appropriate, operate and open or close any bank accounts in the name of and on behalf of the Company and to be joint (and not several) signatories on such bank accounts should the Restructuring Officers determine that it is appropriate or necessary to do so, and to receive funds for the purpose of paying the costs and expenses of the Restructuring Proceedings and the related Restructuring;
- (i) act in the name and on behalf of the Company, and execute all agreements, deeds, receipts and other documents and, for that purpose, to use the Company seal when necessary as appropriate;
- (j) subject to the sanction of this Honourable Court for transactions in excess of US\$1 million, draw, accept, make and endorse any bill of exchange or promissory note or borrow funds for the purpose of the day to day expenses of the Restructuring Proceedings, in the name and on behalf of the Company, with the same effect in respect of the Company's liability as if the bill or note had been drawn, accepted, made or endorsed or the loan had been entered into by or on behalf of the Company in the course of its business;
- (k) prove, rank and claim in the bankruptcy, insolvency or sequestration of any contributory for any balance against the estate of such contributory, and to receive dividends in the bankruptcy, insolvency or sequestration

in respect of that balance, as a separate debt due from the bankrupt, insolvent or sequestrated contributory and rateably with the other separate creditors as deemed necessary and appropriate;

- (l) make, or cause to be made, payments to creditors which may have the effect of preferring such creditors, in order to minimise the interruption to the day-to-day activities of the Company as deemed necessary and appropriate;
- (m) to authorise the Board or any officer to exercise such of the above proposed powers relating to the Company on such terms as the Restructuring Officers consider fit; and
- (n) do all other things which are incidental to the exercise of the proposed powers set out above.

4. The Restructuring Officers shall be directed to:

- (a) notify, or caused to be notified, all known creditors and shareholders of the Company, of their appointment in such manner as the Restructuring Officers shall determine in accordance with Order 1A, rule 7(3) of the Companies Winding Up Rules (2023 Consolidation) (as amended) (the "**Rules**");
- (b) prepare a report about the financial condition of the Company within 28 days of the date hereof and, if the Plan is not sanctioned by this Court within 90 days of the date hereof, at least every three months thereafter or as this Honourable Court may otherwise request from time to time (the "**Reports**"), including but not limited to the matters in Order 1A, rule 8(2) of the Rules;
- (c) file the Reports with this Honourable Court, and serve, or caused to be served, the Reports on all known creditors and shareholders of the Company, in a manner to be determined by the Restructuring Officers in their absolute discretion;

- (d) if deemed appropriate by the Restructuring Officers, enter into a protocol with any foreign officeholder and/or the Board that sets out the terms upon which the foreign officeholder/Restructuring Officers and/or the Board shall cooperate with respect to the management of the Company;
 - (e) prepare and advise in respect of the Restructuring and/or in respect of any other proposal in respect of the Company's indebtedness; and
 - (f) without limiting their powers hereunder, to discuss and consult with the Board (or any relevant sub-committee thereof) in respect of the exercise of the powers proposed to be conferred on them in respect of the Restructuring Proceedings relating to matters concerning the Company and/or the Rockley Group prior to the exercise of the same (if circumstances permit).
5. The Board shall be authorised to continue to manage the Company's day-to-day affairs in all respects and exercise the powers conferred upon it by the Company's Memorandum and Articles of Association ("**M&A**"):
- (a) subject to the Restructuring Officers' oversight and monitoring of the exercise of such powers in relation to matters relating to the ordinary course of business of the Company pursuant to paragraph 3 above;
 - (b) subject to the Restructuring Officers granting prior approval of the exercise of such powers and to matters outside the ordinary course of business of the Company provided always that should the Restructuring Officers consider at any time that the Board is not acting in the best interests of the Company and its creditors, the Restructuring Officers shall have the power to report the same to this Honourable Court and seek such directions from this Honourable Court as the Restructuring Officers are advised to be appropriate;
 - (c) save that, for so long as the Restructuring Officers are appointed:

- (i) any change to the members of the Board and the members of the Board's subcommittees, other than by resignation, shall be approved by the Restructuring Officers before such change becomes effective, provided that the Restructuring Officers shall not unreasonably withhold their approval; and
 - (ii) no new shares shall be issued nor shall any rights attaching to any shares of the Company be altered without the prior approval of the Restructuring Officers in relation to the Company;
- (d) without limitation to the foregoing, the Board, and/or their designees, shall be authorised to exercise the following powers:
- (i) to conduct the ordinary, day-to-day, business operations of the Company;
 - (ii) subject to paragraph 3(h) above, operate the bank accounts of the Company in the ordinary course of the Company's business; and
 - (iii) subject to the prior written approval and consent of the Restructuring Officers (which will not be unreasonably withheld), to open and close bank accounts on behalf of the Company.

6. The Board shall be directed to:

- (a) provide to the Restructuring Officers, within 3 days of a request for the same, such information as they may require in order that the Restructuring Officers shall be able to properly carry out their duties and functions and exercise their proposed powers in the Restructuring Proceedings and as officers of this Honourable Court, without purporting to impose any conditions as to the confidentiality of such information or its use, including, without limitation, such information as the Restructuring Officers may reasonably require to enable them to

monitor the cash-flow of the Company and the Rockley Group and to prepare any Report; and

- (b) provide the Restructuring Officers with advance materials, advance notice of all of the Company's Board meetings and such meetings of management or subcommittees of the Board as the Restructuring Officers may request, and to permit the Restructuring Officers to attend such meetings at their discretion and to provide promptly upon their request copies of the minutes of all such meetings.
7. Pursuant to section 91G of the Companies Act, no suit, action or other proceedings, other than criminal proceedings, shall be proceeded with or commenced against the Company, no resolution shall be passed for the Company to be wound up and no winding up petition may be presented against the Company, except with the leave of this Honourable Court and subject to such terms as this Honourable Court may impose.
8. With respect to liabilities incurred and falling due during the period in which the Restructuring Officers are in office, the Restructuring Officers shall be empowered (subject to sections 91D and 109 of the Companies Act, Order 20 of the Rules and the Insolvency Practitioners' Regulations 2018 (as amended) (the "**Regulations**")) to:
- (a) discharge debts incurred by the Company (acting by the Board and/or the Restructuring Officers) after the commencement of these Restructuring Proceedings (including those of the Company's legal and professional advisors) as expenses or disbursements properly incurred in the Restructuring Proceedings;
 - (b) render and pay invoices with respect to the Restructuring Officers' remuneration at their usual and customary rates on account out of the assets of the Company on the basis of and subject to the requirements of the Regulations;

- (c) appoint and engage clerks, servants, employees, managers and agents (whether or not as employees of the Company and whether located in the Cayman Islands or elsewhere) to assist them in the performance of their duties for the purpose of the Restructuring Proceedings, and to remunerate them out of the assets of the Company as an expense of the Restructuring Proceedings on the basis of and subject to the requirements of the Regulations; and
 - (d) appoint, retain and employ attorneys, barristers, solicitors or other lawyers and professional advisors either (a) jointly with the Board for and on behalf of the Company; or (b) by the Restructuring Officers personally, in the Cayman Islands and/or elsewhere as the Restructuring Officers may consider necessary for the purpose of advising and assisting the Restructuring Officers in the execution of their proposed powers and the performance of their duties in accordance with Order 25 of the Rules, and to remunerate such attorneys, barristers, solicitors or other lawyers and professional advisors for their reasonable fees and expenses out of the assets of the Company as an expense of the Restructuring Proceedings on the basis of and subject to the requirements of the Regulations.
9. The title of these proceedings be appended with the words "(Restructuring Officers Appointed)".
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10. The costs of and incidental to this Petition be paid forthwith out of the assets of the Company as an expense of the Restructuring Proceedings.
11. The Restructuring Officers be at liberty to apply generally.
12. Directions to be made and given with respect to setting a date for a case management conference for the purpose of this Honourable Court assessing the progress made with respect to the formulation of any compromise or arrangement.

13. Such further or other relief be granted as this Honourable Court deems appropriate.

AND your Petitioner will ever pray etc.

DATED the 24th day of January 2023

FILED the *24* day of January 2023



WALKERS

Attorneys at Law for the Company

NOTE: This Petition is intended to be served in accordance with any directions of the Honourable Court.

This **PETITION** is presented by Walkers, Attorneys at Law, 190 Elgin Avenue, George Town, Grand Cayman KY1-9001, Cayman Islands, for the Company whose address for service is care of its said Attorneys at Law.

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NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts, George Town, Grand Cayman on *14 February 2023* at *10 am*~~pm~~.

Any correspondence or communication with the Court relating to the hearing of this Petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, KY1-1106, Telephone 345 949 4296.