



IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO: FSD 16 OF 2023 (MHRCJ)

IN THE MATTER OF THE COMPANIES ACT
AND IN THE MATTER OF ROCKLEY PHOTONICS HOLDINGS LIMITED

ORDER FOR APPOINTMENT OF RESTRUCTURING OFFICERS

UPON the application of Rockley Photonics Holdings Limited (the "**Company**") by way of petition dated 24 January 2023 seeking, *inter alia*, an order that Mr Christopher Barnett Kennedy and Mr Alexander Lawson of Alvarez & Marsal Cayman Islands Limited be appointed as restructuring officers of the Company (the "**Restructuring Officers**") (the "**Petition**")

AND UPON hearing counsel for the Company

AND UPON reading the First Affidavit of Richard Andrew Meier sworn on 24 January 2023, the First Affidavit of Christopher Barnett Kennedy sworn on 24 January 2023, the First Affidavit of Alexander Lawson sworn on 24 January 2023, the First Affidavit of Alexandra Benam Stasiuk sworn on 3 February 2023, and the Second Affidavit of Alexandra Benam Stasiuk sworn on 13 February 2023 and exhibits thereto

IT IS ORDERED 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 (the "**Restructuring**") in consultation with the Board and under the general supervision of this Honourable Court:
 - (i) in a manner designed to allow the Company and its subsidiaries or such joint-ventures, associated companies or other entities in

which the Company has an interest (collectively, the "**Rockley Group**") to continue as a going concern;

- (ii) with a view to making a compromise or arrangement with the Company's creditors or any class thereof and any corporate and/or capital reorganisation of the Company, including but not limited to: (a) entering into definitive documentation in connection with the entry into a senior secured exit financing by the Company (as reorganised) ("**Reorganised Rockley**"); (b) issuance of new equity in Reorganised Rockley in connection with the conversion of the existing secured notes of the Company into equity in the Reorganised Rockley; (c) issuance of new equity in the Reorganised Rockley for subscription by the Prepetition Noteholders; (d) execution and delivery of the new governance documents for Reorganised Rockley; (e) discharge and extinguishment of certain subordinated claims; and (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,
 - (iii) including (without limitation) by way of plan of reorganisation (a "**Plan**") under title 11 of the United States Code (the "**Bankruptcy Code**") which may include 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,
- (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 Group (and attend Board meetings of 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;
- (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 cause 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 and/or effective 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 cause 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 consider 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 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)".
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.

Dated the 14th day of February 2023.

Filed the 14th day of February 2023.



The Honourable Chief Justice Ramsay-Hale
JUDGE OF THE GRAND COURT

This **ORDER** was filed by Walkers, Attorneys at Law, 190 Elgin Avenue, George Town, Grand Cayman, Cayman Islands for the Petitioner whose address for service is care of said Attorneys at Law.