

Swiber Holdings Limited
(Judicial Managers Appointed)
Co. Reg. No. 200414721N

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APPLICATIONS FOR VARIOUS EXTENSIONS OF TIME IN RELATION TO FINANCIAL STATEMENTS AND HOLDING OF ANNUAL GENERAL MEETINGS

1. INTRODUCTION

1.1. Swiber Holdings Limited (Judicial Managers Appointed) (the "**Company**") and together with its subsidiaries, the "**Group**") refers to:-

- (a) its announcement dated 30 June 2022 in relation to an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for an extension of time to prepare and submit a proposal to the SGX-ST with a view to resuming trading in the Company's securities within 12 months of the date of suspension of trading of its securities (the "**Resumption Proposal**");
- (b) its announcement dated 16 March 2021 in relation to its application to the SGX-ST for an extension of time to comply with relevant provisions under the Listing Manual of the SGX-ST (the "**Listing Manual**") in relation to the announcement of various financial results, holding of annual general meetings and filling of the vacancies in its Audit Committee and its application to the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") for extensions of time to comply with relevant provisions under the Companies Act 1967 of Singapore (the "**Companies Act**") in relation to the holding of its annual general meetings and filing of its annual returns with ACRA,

(collectively, the "**Previous Announcements**").

1.2. Subsequent to the Previous Announcements, as announced by the Company on 27 September 2022, the judicial management periods of the Company and Swiber Offshore Construction Pte. Ltd. ("**SOC**") have been extended to 30 October 2022 (such date, as may be extended by the High Court from time to time, the "**JMO Expiry Date**") by the High Court (subject to certain conditions).

2. CURRENT APPLICATIONS TO THE SGX-ST AND ACRA FOR EXTENSIONS OF TIME

2.1. The Company had on 30 September 2022 submitted the following revised applications to the SGX-ST and ACRA:

- (a) a revised application to the SGX-ST (the "**Revised SGX Application**") for extensions of time to comply with:-
 - (i) Rule 1304(1) of the Listing Manual in relation to the submission of the Resumption Proposal;
 - (ii) Rules 705(1), (2) and 3(b) of the Listing Manual in relation to the announcement of financial statements and Rule 707(1) of the Listing Manual in relation to the holding of its annual general meetings; and
 - (iii) Rule 704(8) of the Listing Manual in relation to filling the vacancies in the Audit Committee,

further details of which are set out in paragraphs 3 to 5 below; and

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- (b) a revised application to ACRA (the "**Revised ACRA Application**") for extensions of time to comply with:-
 - (i) Section 175 of the Companies Act in relation to the holding of its annual general meetings;
 - (ii) Section 201 of the Companies Act (as was in force immediately prior to 31 August 2018) in relation to the holding of the 2018 AGM (as defined below) and the laying of the FY2017 Financial Statements (as defined below) at the 2018 AGM; and
 - (iii) Section 197 of the Companies Act in relation to the filing of its annual returns with ACRA,

further details of which are set out in paragraph 6 below.

3. **REVISED APPLICATION TO THE SGX-ST FOR EXTENSION OF TIME TO COMPLY WITH RULE 1304(1) OF THE LISTING MANUAL**

- 3.1. The Company has in its Revised SGX Application sought for the SGX-ST to grant an extension of time of up to **30 December 2022** to prepare and submit the Resumption Proposal to the SGX-ST (the "**Resumption Proposal Extension**").
- 3.2. The Company's reasons for seeking the Resumption Proposal Extension are as follows:-
 - (a) the Company and SOC currently remain in judicial management. The Judicial Managers continue to, *inter alia*, manage the encumbered assets of the Group, with a view of eventually disposing of these assets in an orderly manner to maximise value to the relevant secured creditors;
 - (b) following the completion of the investment by Rawabi Holding Company on 8 June 2022 pursuant to the investment agreement dated 28 December 2020 (as amended from time to time) entered into between the Company and Rawabi Holding Company and acceded to by Equatoriale Holdings Limited ("**Investment Agreement**"), the Judicial Managers continue to handle post-completion matters arising under the Investment Agreement;
 - (c) in view of the above, the Company is of the view that the extension of time for the submission of the Resumption Proposal until 30 December 2022 would be appropriate for the Company to assess and (if applicable) formulate the Resumption Proposal in due course.

4. **REVISED APPLICATION TO THE SGX-ST FOR EXTENSION OF TIME TO COMPLY WITH RULES 705(1), 705(2), 705(3)(B) AND 707(1) OF THE LISTING MANUAL**

- 4.1. The Company has in its Revised SGX Application sought for the SGX-ST to grant the following extensions of time to comply with Rules 705(1), 705(2), 705(3)(b) and 707(1):-
 - (a) in respect of Rule 705(1), (in respect of financial periods falling before 7 February 2020) Rule 705(2) and (in respect of financial periods falling after 7 February 2020) Rule 705(3)(b) of the Listing Manual, an extension of time of up to **30 April 2023** for the Company to announce its second quarter results for the financial period ended 30 June 2016, third quarter results for the financial period ended 30 September 2016, financial statements for the full financial year ended 31 December 2016 ("**FY2016**"), first quarter

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results for the financial period ended 31 March 2017, second quarter results for the financial period ended 30 June 2017, third quarter results for the financial period ended 30 September 2017, financial statements for the full financial year ended 31 December 2017 ("FY2017") (the "FY2017 Financial Statements"), first quarter results for the financial period ended 31 March 2018, second quarter results for the financial period ended 30 June 2018, third quarter results for the financial period ended 30 September 2018, financial statements for the full financial year ended 31 December 2018 ("FY2018"), first quarter results for the financial period ended 31 March 2019, second quarter results for the financial period ended 30 June 2019, third quarter results for the financial period ended 30 September 2019, financial statements for the full financial year ended 31 December 2019 ("FY2019"), financial statements for the half year ended 30 June 2020, financial statements for the full financial year ended 31 December 2020 ("FY2020"), financial statements for the half year ending 30 June 2021, financial statements for the full financial year ending 31 December 2021 ("FY2021"), financial statements for the half year ending 30 June 2022 and the financial statements for the full financial year ending 31 December 2022 ("FY2022")(collectively, the "Relevant Financial Results");

- (b) in respect of Rule 707(1) of the Listing Manual and in line with the extension mentioned in paragraph 4.1(a) above, a similar extension of time of up to **30 April 2023** for the Company to hold its annual general meetings for FY2016 ("2017 AGM"), FY2017 ("2018 AGM"), FY2018 ("2019 AGM"), FY2019 ("2020 AGM"), FY2020 ("2021 AGM") and FY2021 ("2022 AGM") (collectively, the "Relevant AGMs"),

(collectively, the "Financial Statements and AGM Extensions").

- 4.2. With respect to Rule 705(2), with effect from 7 February 2020 and pursuant to current Rule 705(2B)(a) of the Listing Manual, Rule 705(2) in relation to quarterly reporting is no longer applicable to issuers undergoing judicial management, such as the Company. As such, the quarterly reporting requirements under Rule 705(2) will no longer apply to the Company with respect to its financial statements starting from its first quarter results for the financial period ended 31 March 2020. Pursuant to Rule 705(3)(b), the Company would instead be announcing its first half financial statements in respect of financial periods falling after 7 February 2020.
- 4.3. The Company's reasons for seeking the Financial Statements and AGM Extensions are as follows:-
- (a) as mentioned above, the Company currently remains in judicial management and the Judicial Managers continue to channel resources (in terms of time and manpower) towards, *inter alia*, managing the encumbered assets of the Group, with a view of eventually disposing of these assets in an orderly manner to maximise value to the relevant secured creditors. Consequently, the Company and the Judicial Managers are not able to divert their resources towards preparing the accounts of the Company or the holding of the Company's annual general meetings;
- (b) as highlighted in previous applications for extensions of time, in view that the Company and SOC are currently under judicial management, there are practical difficulties and challenges faced by the Judicial Managers (which may otherwise not apply in the case of a company which is a going concern) in ascertaining and finalising the financial information which is relevant for the preparation and updating of the Company's financial statements. Moreover, whether the preparation of the Company's accounts and the audit of such accounts by the auditors are to be conducted on a going concern or break up basis would depend on whether the restructuring exercise in respect of the Company's and SOC's debts is completed, and whether the Company is discharged from judicial management;

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- (c) the Company currently still does not have the financial resources and manpower to prepare and update the financial results. Given the financially distressed state of the Company, the Company has limited funds and is still facing severe cash flow issues on a month to month basis. In view of the financial situation of the Company, many of the employees (including the accountants) of the Company had already resigned (including the Group Chief Financial Officer who had resigned with effect from 31 July 2017). In addition, following the completion of the Investment Agreement, all remaining employees of the Company have been transferred to Equatoriale Holdings Limited and the Company has insufficient financial resources to hire new accountants or employees to prepare, update and finalise the financial results referred to in paragraph 4.1 or settle the outstanding fees of its external auditors so as to enable them to commence any review and/or audit of such financial results.;
- (d) following the exit of the Company from judicial management, given the long period starting from October 2016 for which the Company has been in judicial management, the Company requires time to explore various options to resolve the issues in paragraph (c) above, and would need a relatively longer time period of adjustment to transition from being a company in judicial management to one that is able to operate its normal course of business again, if applicable. This will include the process of hiring additional manpower to supplement its finance team once it exits from judicial management. Based on the Company's previous discussions with its auditors, they have indicated that a longer period of time than usual will be required to complete an audit in respect of financial information spanning seven financial years from FY2016 to FY2022 (inclusive) all at one go (which will be a massive exercise), as compared to an audit in respect of financial information for just one financial year (which typically takes around three months). Unlike a typical audit exercise, the process is expected to be further complicated by the need to compile, verify and review supporting documents relating to periods falling earlier than the latest completed financial year. As such, the Company in consultation with its auditors also believes that sufficient time should be afforded to the audit process so as to ensure that the audited accounts are prepared properly; and
- (e) the Company also observes that the Singapore Parliament itself has recognized that companies in judicial management will have limited resources, and that during judicial management, it may not be possible or even practicable for the Company to expend further time, resources and costs to prepare financial statements or call annual general meetings. Accordingly, the Insolvency, Restructuring and Dissolution Act 2018, which consolidates restructuring and insolvency laws and was passed by Parliament on 1 October 2018 and which came into force on 30 July 2020, expressly provides at section 103 that companies in judicial management are not required to hold annual general meetings, lodge annual returns or lay financial statements at annual general meetings under the Companies Act:

"Suspension of requirements to call annual general meeting and to file annual returns and audited accounts

103. During the period in which a company is in judicial management, the judicial manager, the company and any officer of the company (as the case may be) are not required to comply with sections 175, 197 and 201 of the Companies Act."

Notwithstanding that the above provisions are only applicable in the context of analogous requirements relating to the laying of financial statements and holding of annual general meetings under the Companies Act and not the Listing Manual, it is submitted that the above legislative provision captures precisely why companies in the midst of insolvent

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restructuring are deserving of an exemption or waiver from the strict requirements of Rules 705(1), 705(2), 705(3)(b) and 707(1) of the Listing Manual.

In view of the above, the Company is seeking the Financial Statements and AGM Extensions as, the Company would have visibility on whether it would be in a position to prepare, finalise and announce the Relevant Financial Results and hold the Relevant AGMs leading up to the JMO Expiry Date.

5. REVISED APPLICATION TO THE SGX-ST FOR EXTENSION OF TIME TO COMPLY WITH RULE 704(8) OF THE LISTING MANUAL IN RELATION TO FILLING THE VACANCIES IN THE AUDIT COMMITTEE

- 5.1 As announced by the Company on 4 April 2017, Mr. Yeo Jeu Nam, who was the lead independent non-executive director of the Company, had resigned with effect from 3 April 2017, and as announced by the Company on 30 October 2017, Mr. Chia Fook Eng, who was an independent non-executive director, had resigned with effect from 30 October 2017 (the "**Resignations**").
- 5.2 Prior to the Resignations, the audit committee of the Company (the "**Audit Committee**") comprised of Mr Yeo Jeu Nam, Mr Chia Fook Eng and Mr Oon Thian Seng. Following the Resignations, the number of members in the Audit Committee has been reduced to one (1) member.
- 5.3 Under Rule 704(8) of the Listing Manual, in the event of any resignation which renders the Audit Committee unable to meet the minimum number (not less than three), the Company should endeavor to fill the vacancies within two months, but in any case not later than three months.
- 5.4 The Company has in its Revised SGX Application sought for the SGX-ST to grant an extension of time of up to **30 April 2023** to comply with **Rule 704(8)** of the Listing Manual (the "**Audit Committee Extension**").
- 5.5 The Company's reasons for seeking the Audit Committee Extension are as follows:-
- (a) since the Resignations, the Company had initially tried to search for replacement directors to undertake the role of independent directors and audit committee members. However, due to the Company being placed in judicial management, the Company has not been successful in finding replacement directors who are willing to take on such a role. Further, given the financially distressed state of the Company, the Company would not be in a position to pay directors' fees to such replacement directors. Accordingly, it is practically very difficult for the Company to fill the vacancies in the Audit Committee under the current circumstances. In view of the above, the Company is of the view that it would be in a better position to pursue discussions with and attract potential candidates for such role only upon achieving a successful restructuring of the Company (if applicable) so that there is a reasonable chance for the continued operation of the Company post-restructuring and the Company will then be able to identify potential candidates; and
 - (b) as the Company is currently placed under judicial management, the powers of the directors of the Company have been suspended and assumed by the Judicial Managers since the Judicial Managers' appointment. In addition, given the current situation of the Company where it is not able to prepare, update and finalise its financial results nor enable its external auditors to commence review and/or audit such financial results (as mentioned in paragraph 4.3 above), the Company believes that the role of the Audit Committee would be limited during the judicial management period of the Company. In view of the above and having regard to the functions of the Audit Committee as set out under Section 201B

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of the Companies Act and the Code of Corporate Governance, the Company believes that the Audit Committee Extension would not be prejudicial to the Company.

In view of the above, the Company is seeking the Audit Committee Extension as it estimates that realistically, the Audit Committee vacancies can be filled within 6 months from the JMO Expiry Date.

6. REVISED APPLICATION TO ACRA

6.1. The Company has in its Revised ACRA Application sought for ACRA to grant the following extensions of time:-

- (a) in respect of Section 175 of the Companies Act, an extension of time of up to **30 April 2023** for the Company to hold the 2018 AGM, 2019 AGM, 2020 AGM, 2021 AGM and 2022 AGM;
- (b) in respect of Section 201 of the Companies Act (as was in force immediately prior to 31 August 2018), an extension of time of up to **30 April 2023** in respect of the holding of the 2018 AGM and the laying of the FY2017 Financial Statements at the 2018 AGM; and
- (c) in respect of Section 197 of the Companies Act an extension of time of up to **30 April 2023** for the Company to file its annual returns in respect of FY2017, FY2018, FY2019, FY2020, and FY2021;

(collectively, the "**AGM, Financial Statements and Annual Returns Extensions**").

6.2. The Company is seeking the AGM, Financial Statements and Annual Returns Extensions for similar reasons as set out in paragraph 4.3 (read with paragraphs 3.2) above.

7. FURTHER ANNOUNCEMENTS

The Company will make further announcements to update its shareholders on the status of the applications mentioned above, in due course.

By Order of the Judicial Managers
Bob Yap Cheng Ghee
Joint and Several Judicial Manager
30 September 2022

By Order of the Board
Raymond Kim Goh
Chairman
30 September 2022