**SAPPHIRE CORPORATION LIMITED**
(Incorporated in the Republic of Singapore)
(Company Registration No. 198502465W)

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**APPLICATION FOR EXTENSION OF TIME TO COMPLY WITH RULES 705(1), 705(3)(b), 707(1) AND 711A OF THE LISTING MANUAL ("LISTING MANUAL") OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST")**

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## 1. INTRODUCTION

1.1. The board of directors (the "**Board**" or "**Directors**") of Sapphire Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that, on 2 March 2022, the Company has applied to SGX-ST for a waiver of the requirements:

(a) to comply with Rules 707(1) and 711A of the Listing Manual, and an extension of time to (ii) hold the Company's annual general meeting ("**AGM**") for the financial year ended 31 December 2020 ("**FY2020**") and for the financial year ended 31 December 2021 ("**FY2021**"), and issue its annual report for FY2020 ("**AR2020**") and for FY2021 ("**AR2021**"); and (ii) to issue its sustainability report for FY2020 ("**SR2020**") and for FY2021 ("**SR2021**"); and

(b) to comply with Rule 705(3)(b)(ii) and 705(1) of the Listing Manual, and an extension of time to announce its financial statements for the half year financial period ending 30 June 2021 ("**1H2021**") and 30 June 2022 ("**1H2022**"), and for the full year financial period ending 31 December 2021,

(collectively, the "**Waiver Application**").

1.2. The Board wishes to announce that the SGX-ST has, on 24 May 2022, informed the Company the SGX-ST has rejected the following waivers as the Company has failed to submit a complete application in a timely manner

(a) 14-month extension of time for the release of the financial statements for FY2020 from 1 March 2021 till 14 April 2022;

(b) 8-month extension of time for the release of the half year financial statements for 1H2021 from 14 August 2021 till 14 April 2022;

(c) 1-year extension of time for holding the annual general meeting for FY2020 ("AGM2020") from 30 April 2021 till 29 April 2022; and

(d) 1-year extension of time for the release of the Sustainability Report for the financial year ended 31 December 2020 ("SR2020") from 30 April 2021 till 14 April 2022

1.3. However, the SGX-ST has also informed that it has no objection to grant the following waivers (collectively, the "**Waivers**"):-

(a) 7-month extension of time for the release of the financial statements FY2021 from 1 March 2022 till 15 September 2022;

(b) 1-month extension of time for the release of the half year financial statements for 1H2022 from 14 August 2022 till 15 September 2022;

(c) 5-month extension of time for holding the annual general meeting for the FY2021 ("AGM2021") from 30 April 2022 till 30 September 2022; and

(d) 5-month extension of time for the release of the Sustainability Report for the financial year ended 31 December 2021 ("SR2021") from 30 April 2022 till 15 September 2022

subject to the following (collectively, the "**Conditions**"):-

(a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;

(b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company; and

(c) submission of a written confirmation that the Waiver is/will not be in contravention of any laws and regulations governing the issuer and its constitution (or the equivalent in the issuer's country of incorporation).

1.4. The Waivers will not be effective if any of the Conditions have not been fulfilled

1.5. Following the disclosures in this announcement, the Company will proceed to fulfil the Conditions and will provide an update announcement when the Conditions have all been met

1.6. In addition, the Company is required to make an immediate disclosure via SGXNet if it is or will be in contravention of any laws and regulations governing the Company and the Constitution of the Company arising from the Waivers. Save as disclosed below in relation to the Companies Act, to the best of the Board's knowledge and belief, the Company will not be in contravention of any laws and regulations governing the Company or the Constitution of the Company as a result of the Waivers.

1.7. The Company is required under section 175(1)(a) and 197(1)(a) of the Companies Act 1967 of Singapore (the "**Companies Act**") to hold its annual general meeting (""**AGM**) and lodge its annual return ("**AR**") with Accounting and Corporate Regulatory Authority ("**ACRA**"), within four (4) months and five (5) months after its financial year has ended, respectively.

1.8. Accordingly, in respect of FY2020, the Company shall hold its AGM and lodge its AR with ACRA by 30 April 2021 and 31 May 2021, respectively. In respect of FY2021, the Company shall hold its AGM and lodge its AR with ACRA by 30 April 2022 and 31 May 2022, respectively. The further extension of time sought from ACRA has not been granted and the Company will incur late filing penalties which were/will be imposed at the time of lodgement.

## 2. PROPOSED INDICATIVE TIMELINE

The Company anticipate the following timeline for the holding of its FY2021 AGM :

| | **Proposed Indicative Timeline** | **Milestone** |
|---|---|---|
| 1. | **On or before 15 September 2022** | Completion of the audit of the Company's consolidated financial statements for FY2021<br><br>Release of AR2021 and SR2021<br><br>Announcement of the Company's financial statements for FY2021 and 1H2022 |

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|---|---|---|
| 2. | **On or before 30 September 2022** | Convening of AGM to approve the Company's consolidated financial statements for FY2021. |

## 3. INFORMATION ON THE WAIVER APPLICATION

3.1 The Board also refers to the following:

(a) the announcements dated 2 June 2020, 3 July 2020, 9 October 2020, 24 October 2020, 26 October 2020 and 30 October 2020, the press releases made on 2 June 2020 and 9 October 2020, and the circular dated 9 October 2020, in respect of the Company's sale of equity interests in and material dilution of effective equity interests in Ranken Railway Constructions Group Co., Ltd. ("**Ranken Railway**"), which resulted in Ranken Railway ceasing to be a subsidiary of the Company ("**Disposal**");

(b) the announcement dated 16 December 2020 in respect of the proposed change of auditors of the Company from KPMG LLP ("**Outgoing Auditors**") to Moore Stephens LLP ("**Moore Stephens**");

(c) the announcement dated 1 March 2021 in respect of the Company's financial statements for FY2020;

(d) the announcement dated 28 April 2021 in respect of the application for waiver ("**Prior Application**") to comply with Rules 707(1), 711A and 705(3)(b)(ii) of the Listing Manual and extension of time to hold the FY2020 AGM, issues its AR202, SR202 and announce its 1H2021 financial statements and the Company's intention to propose another auditing firm for appointment as auditors of the Company instead of Moore Stephens;

(e) the announcement dated 20 August 2021 in respect of the proposed change of auditors of the Company from the Outgoing Auditors to Foo Kon Tan LLP ("**FKT**");

(f) the withdrawal of the Prior Application on 7 September 2021 due to the Company having to re-submit inputs from the proposed incoming auditors as to the timeline;

(g) the ordinary resolution passed by the shareholders at an extraordinary general meeting held on 9 November 2021 ("**EGM**") approving the change of auditors from the Outgoing Auditors to FKT.

3.2 The reasons for the Waiver Application are, amongst others, as follows

(i) completion of the Disposal had only taken place on 27 October 2020;

(ii) due to manpower reallocation of, and changes to, the Group's finance team for its subsidiaries and associated companies incorporated in the People's Republic of China ("**PRC**") arising from the Disposal, the Company requires more time to prepare its consolidated financial statements for FY2020 and FY2021;

(iii) the resignation of the Outgoing Auditors took effect on 3 December 2020, and the audit of the Group's consolidated financial statements for FY2020 could only be conducted by FKT following the approval of the appointment of FKT at the recent EGM held on 9 November 2021;

(iv) the time taken for discussions with SGX-ST on the initial waiver applications dated 5 February 2021 and 28 April 2021, suitability of its incoming auditors and additional time needed to seek candidates for the appointment as incoming auditors;

(v) delays encountered by the auditors of the Company in fieldwork required in the PRC due to COVID-travel restrictions and quarantine layovers in compliance with PRC requirements such that the auditors were not able to attend expediently at the Company's premises in PRC;

(vi) the Group's audited financial statements for FY2020, which are still not finalised, will have an impact on the opening figures of the financial results of the Group for the financial periods ended 2021 such that it would be more appropriate and accurate for its financial statements post FY2020 – namely for 1H2021, FY2021 and 1H2022 to be released only after the audit of the Group's financial statements for FY2020 is finalised and post FY2020 opening figures are determined; and

(vii) as the SR2020 should be read with the AR2020, it will not be practical for the SR2020 to be issued ahead of the AR2020 given the relativity of the aspects of governance and sustainability target between the two reports, and that similarly rationale applies in relation to the SR2021.

## 4. FURTHER ANNOUNCEMENT

The Company will provide updates on the fulfilment of the Conditions in due course.

**BY ORDER OF THE BOARD**

Wang Heng
Executive Director and Chief Executive Officer
25 May 2022