IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
VYAIRE MEDICAL, INC., *et al.*,[1]	)	Case No. 24-11217 (BLS)
Debtors.	)	(Jointly Administered)

DECLARATION OF CHARLES N. BRALEY IN SUPPORT OF MOTION OF DEBTORS FOR ENTRY OF AN ORDER (I) APPROVING BIDDING PROCEDURES IN CONNECTION WITH THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS, (II) AUTHORIZING THE DEBTORS TO ENTER INTO A STALKING HORSE AGREEMENT AND PROVIDE BID PROTECTIONS, (III) APPROVING THE FORM AND MANNER OF NOTICE THEREOF, (IV) SCHEDULING AN AUCTION AND SALE HEARING, (V) APPROVING PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS, (VI) APPROVING THE SALE OF THE DEBTOR'S ASSETS FREE AND CLEAR, AND (VII) GRANTING RELATED RELIEF

I, Charles N. Braley, declare under penalty of perjury:

1. I am a Partner and Managing Director of AlixPartners LLP ("AlixPartners") and the Chief Restructuring Officer ("CRO") of Vyaire, Medical, Inc. and its affiliated debtors and debtors in possession (collectively, the "Debtors" and, together with their non-Debtor subsidiaries, the "Company"). I have over 20 years of experience in the restructuring and turnaround management industry and have led turnaround or restructuring efforts for various companies during that time. I have personally been involved in many chapter 11 reorganizations, including *In re Mallinckrodt plc*, Case No. 20-12522 (Bankr. D. Del. 2020); *In re NPC International Inc.*, Case No. 20-33353 (Bankr. S.D. Tex. 2020); *In re Basic Energy Services, Inc.*, Case No. 16-12320 (Bankr. D. Del. 2016); *In re Dendreon Corporation*, Case No. 14-12515 (Bankr. D. Del. 2014);

[1] The last four digits of Debtor Vyaire Medical, Inc.'s federal tax identification number are 6495. A complete list of each of the Debtors in these chapter 11 cases and each such Debtor's federal tax identification number may be obtained on the website of the Debtors' claims and noticing agent at https://omniagentsolutions.com/Vyaire. The location of Debtor Vyaire Medical, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is 26125 North Riverwoods Boulevard, Mettawa, Illinois, USA 60045.

In re BearingPoint, Inc., Case No. 09-10691 (Bankr. S.D.N.Y. 2009); and *In re Remy Worldwide Holdings, Inc.*, Case No. 07-11481 (Bankr. Del. 2007), among others. I specialize in advising senior executives, boards of directors, and creditors in distressed situations. My combination of restructuring, operating, and transaction experience spans multiple countries and a variety of industries.[2]

2. I submit this declaration (this "Declaration") in support of the relief requested in the *Motion of the Debtors for Entry of an Order (I) Approving Bidding Procedures in Connection with the Sale of Substantially All of the Debtors' Assets, (II) Authorizing the Debtors to Enter Into a Stalking Horse Agreement and Provide Bid Protections, (III) Approving the Form and Manner of Notice Thereof, (IV) Scheduling an Auction and Sale Hearing, (V) Approving Procedures for the Assumption and Assignment of Contracts, (VI) Approving the Sale of the Debtors' Assets Free and Clear, and (VII) Granting Related Relief* [Docket No. 16] (the "Bidding Procedures Motion").[3]

3. Except as otherwise indicated, all statements set forth in this Declaration are based upon my personal knowledge, my discussions with other members of the AlixPartners team, the Debtors' management team, and/or the Debtors' other advisors, my review of relevant documents and information concerning the Debtors' operations, financial affairs, and restructuring initiatives, or my opinions based upon my experience and knowledge. If called as a witness, I could and

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[2] A detailed description of my qualifications is set forth in the *Declaration of Charles N. Braley in Support of the Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Granting Adequate Protection to Prepetition Secured Parties, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 34].

[3] A detailed description of the Debtors and their business, including the facts and circumstances giving rise to the Debtors' chapter 11 cases, is set forth in the *Declaration of John Bibb, Group Chief Executive Officer of Vyaire Medical, Inc., in Support of Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 15] (the "First Day Declaration"). Capitalized terms used but not otherwise defined shall have the meaning ascribed to them in the Bidding Procedures Motion or the First Day Declaration, as applicable.

would testify competently to the statements set forth in this Declaration on that basis. I am not being specifically compensated for this testimony other than through payments received by AlixPartners as a professional proposed to be retained by the Debtors. I am over the age of 18 years and authorized to submit this Declaration on behalf of the Debtors.

4. In March 2024, the Debtors engaged AlixPartners to serve as their restructuring advisor. The Debtors sought AlixPartners' services to commence contingency preparations in the event that a chapter 11 filing became necessary and to advise the Debtors on strategic and business alternatives and liquidity management. Over the course of its engagement, AlixPartners has evaluated the Debtors' operations and cash requirements to operate their businesses during these chapter 11 cases, including by assisting in the development of the Debtors' near-term cashflow forecasts. In addition, AlixPartners has assisted the Debtors in the development of the Debtors' business plan, the assessment of strategic alternatives, and financing related workstreams. AlixPartners has worked closely with the Debtors' management and other restructuring professionals and has become well-acquainted with the Debtors' capital structure, liquidity needs, and business operations. On the Petition Date, the Company appointed me to the role of Chief Restructuring Officer.

The Bidding Procedures Timeline Aligns with the Debtors' Liquidity Forecast

5. As part of an evaluation of the Debtors' liquidity position, AlixPartners assisted in the development of the Debtors' 13-week cashflow forecasts as well as an analysis of the Debtors' longer-term liquidity needs. These forecasts take into account anticipated cash receipts and disbursements during the projected period and considered a number of factors, including, but not limited to, the effect of the chapter 11 filing on the operations of the business, fees and expenses

associated with postpetition financing, professional fees, customer and vendor obligations, as well as the operational performance of the underlying business.

6. The timeline contemplated by the Bidding Procedures aligns with the postpetition financing and liquidity available to the Debtors, providing the Debtors their best and only available alternative to pursue going-concern sales of their businesses. The prepetition Marketing and Sale Process ran in parallel with the Company's efforts to negotiate a comprehensive restructuring, as memorialized in the RSA, and to secure the DIP Facility to support the continuation of the prepetition Marketing and Sale Process on a postpetition basis.

7. In particular, following extensive negotiations with the ad hoc group of first lien lenders, the Debtors were able to secure $45 million of new money debtor-in-possession financing and the consensual use of such lenders' cash collateral. The Marketing and Sale Process and timeline proposed in the Bidding Procedures Order reflects the Debtors' projected liquidity from such financing. The Debtors face a challenging operating environment and require the DIP Facility to fund ordinary course operations during the pendency of the chapter 11 proceedings. The proposed timeline contemplated by the Bidding Procedures allows the Debtors to actively pursue their Marketing and Sale Process while administering these chapter 11 cases quickly and efficiently, avoiding the value-destructive consequences of a protracted and expensive stay in chapter 11, and complying with the Debtors' requirements to maintain access to the DIP Facility. As further detailed in my declaration in support of the DIP Facility [Docket No. 34], the Debtors, in consultation with their advisors, determined that entering into the RSA and running the sale process contemplated herein was a sound exercise of the Debtors' business judgment.

8. The Debtors seek approval of the Bidding Procedures, including the milestones and Bid Protections, in a sound exercise of their business judgment and in an effort to maximize value for the Debtors' estates.

Conclusion

9. Accordingly, for all the foregoing reasons, I believe that the Bidding Procedures and the timeline set forth therein: (a) will encourage bidding for the Debtors' assets; (b) are generally consistent with other bidding procedures previously approved in chapter 11 cases of similar size and complexity; and (c) are appropriate under the circumstances. Given the details described above and based on my experience as a restructuring professional and involvement in other sales transactions, I believe that the Bidding Procedures are appropriate and should be approved.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the facts set forth in the foregoing declaration are true and correct to the best of my knowledge, information, and belief.

Dated: July 8, 2024

/s/ *Charles N. Braley*
Charles N. Braley
Chief Restructuring Officer
Vyaire Medical, Inc.