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 THE PROPOSED SALE ORDERS

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 across a variety of industries and multiple countries. I specialize in advising senior executives, boards of directors, and creditors in distressed situations.

2. I submit this declaration (this "Declaration") in support of (a) the proposed *Order (I) Approving the Zoll Asset Purchase Agreement and Authorizing the Sale of Certain Ventilation Assets of the Debtors Outside of the Ordinary Course of Business, (II) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, (III) Authorizing the Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection Therewith, and (IV) Granting Related Relief* [Docket No. 399] (the "Vents Sale Order") and

[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.

(b) the proposed *Order (I) Approving the Trudell Asset Purchase Agreement and Authorizing the Sale of Certain Respiratory Diagnostics Assets of the Debtors Outside the Ordinary Course of Business, (II) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, (III) Authorizing the Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection Therewith, and (IV) Granting Related Relief* [Docket No. 401] (the "RDx Sale Order," and together with the Vents Sale Order, the "Sale Orders").[2]

3. On July 8, 2024, I submitted a declaration in support of the entry of the Bidding Procedures Order [Docket No. 157], which is incorporated by reference herein.

4. Except as otherwise indicated, all statements set forth in this Declaration are based upon (a) my personal knowledge, (b) information received from other members of the AlixPartners team, the Debtors' management team, and/or the Debtors' other advisors, (c) my review of relevant documents and information concerning the Debtors' operations, financial affairs, and restructuring initiatives, or (d) my opinions based upon my experience and knowledge. If called as a witness, I could and would testify competently to the statements set forth in this Declaration. 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.

[2] Capitalized terms used but not otherwise defined shall have the meaning ascribed to them in the Sale Orders, the Zoll APA (as defined herein), the Trudell APA (as defined herein), and the *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. 249] (the "Bidding Procedures Order"), as applicable.

The Successful Bids and APAs

5. As more fully described in the supplemental Schlappig Declaration,[3] prior to the Petition Date, the Debtors' investment banker, PJT Partners LP, prepared for and launched the sale and marketing process ("Marketing and Sale Process") to solicit proposals for any and all of the Debtors' assets (the "Assets"), including for certain of the Debtors' Assets associated with their ventilation and respiratory diagnostics businesses (the "Ventilation Assets" and "RDx Assets," respectively, and together, the "Sale Assets").

6. On August 12-14, 2024, the Debtors held an auction (the "Auction") for certain of the Debtors' Ventilation Assets. In addition to the three Qualified Bidders (and/or their respective advisors), the Auction was attended by the Debtors, their advisors, counsel to the DIP Lenders, and counsel to the Committee. Together with the Debtors' other advisors, I helped run the Auction and was personally involved in evaluating the bids and engaging in discussions with the Qualified Bidders. The Auction included 10 rounds of bidding over three days.

7. Pursuant to the Bidding Procedures Order, during each round of the Auction a Qualified Bidder submitted an Overbid (as defined in the Bidding Procedures Order). The Debtors, with the assistance of AlixPartners and the Debtors other advisors, evaluated each bid to ensure it complied with Overbid conditions, which included a quantification of the value of certain terms submitted with each bid. Pursuant to the Bidding Procedures Order, each Overbid received was announced on the record during the Auction.

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[3] As used herein, "Schlappig Declaration" refers to the *Declaration of Michael Schlappig in Support of an Order (I) Approving the Zoll Asset Purchase Agreement and Authorizing the Sale of Certain Ventilation Assets of the Debtors Outside the Ordinary Course of business, (II) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Encumbrances, (III) Authorizing the Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection Therewith, and (IV) Granting Related Relief*, filed substantially contemporaneously herewith.

8. The Auction concluded on August 14, 2024, after three days of competitive, lively, arm's-length bidding, resulting in the Debtors' selection of Zoll Medical Corporation ("Zoll") as the Successful Bidder for the Ventilation Assets (the "Vents Successful Bidder"). Zoll's Successful Bid includes cash consideration that is approximately $30 million greater than the starting leading bid and provides approximately $1.1 greater value than the next-highest bid.[4]

9. The Debtors and Zoll memorialized the terms of the Successful Bid for the Ventilation Assets in the asset purchase agreement, substantially in the form attached to the Vents Sale Order as Exhibit A (the "Zoll APA"), between and among Vyaire Medical, Inc. (the "Vents Seller") and Zoll. Pursuant to the Zoll APA, the Vents Seller and Zoll have agreed to the sale of Ventilation Assets, on terms set forth therein. The Zoll APA provides for a purchase price of $37 million in cash, plus additional non-cash consideration, such as the payment of certain cure costs and the assumption of liabilities arising out of ownership of the Ventilation Assets, subject to certain terms and conditions, in exchange for the Ventilation Assets.

10. In parallel with the Debtors' marketing of the Ventilation Assets, the Debtors, with the assistance of their advisors, also engaged a number of parties with respect to the RDx Assets. While a number of parties expressed interest in the RDx Assets, the Debtors received a single actionable proposal from Trudell Medical Limited ("Trudell"). Over the past several weeks, the Debtors and their advisors have engaged Trudell in extensive, arm's-length negotiations to improve the terms of Trudell's bid, including exchanging of several rounds of draft asset purchase agreements and mark-ups. As a result of these discussions, on August 20, 2024, the Debtors selected Trudell as the Successful Bidder for the RDx Assets (the "RDx Successful Bidder," and

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[4] React Health, as the next highest bidder, has agreed to serve as the Backup Bidder. The Backup Bidder's offer remains open and irrevocable, subject to its terms and conditions, until the closing of the contemplated transaction with the Successful Bidder.

the RDx Successful Bidder and the Vents Successful Bidder, the "Successful Bidders"). The Successful Bid for the RDx Assets contemplates a going-concern sale of the Debtors' respiratory diagnostics business.

11. The terms of the Successful Bid for the RDx Assets are memorialized in the asset purchase agreement, substantially in the form attached to the RDx Sale Order as Exhibit A (the "Trudell APA," and together with the Zoll APA, the "APAs"), between and among Vyaire Holding Company (the "RDx Seller") and Trudell. Pursuant to the Trudell APA, the RDx Seller and the Trudell have agreed to a sale of the RDx Assets, on the terms set forth therein. The Trudell APA provides for a purchase price of $53.5 million in cash, plus additional non-cash consideration, including the payment of certain cure costs and the assumption of liabilities arising out of ownership of the RDx Assets, subject to certain terms and conditions, in exchange for the RDx Assets.

12. The APAs contemplate the sale of the applicable Sale Assets, free and clear of all liens, claims, encumbrances, liabilities, and interests (other than the Permitted Encumbrances and Assumed Liabilities, as set forth in the Zoll APA and Trudell APA, as applicable), and the assumption of certain liabilities by the Successful Bidders associated with the Sale Assets. Based on my review of the Debtors' books and records, the Ventilation Assets and the RDx Assets are owned by the Debtors and are property of the Debtors' estates.

13. Based on my participation in the Marketing and Sale Process, as well as the Auction, I believe the APAs were each negotiated, proposed, and entered into by the Debtors and the Successful Bidders without collusion, in good faith, from arm's-length bargaining positions, and between sophisticated parties represented by competent counsel. The purchase prices were not controlled by any preexisting agreement among bidders, and I am not aware of any facts

indicating that the APAs were entered into for the purpose of hindering, delaying, or defrauding any creditor. Moreover, I am not aware of any facts indicating that the Debtors and the Successful Bidders are fraudulently entering into the transactions contemplated by the APAs. I believe that each Successful Bidder acted in compliance with the Bidding Procedures Order and conducted themselves in good faith and in a non-collusive, fair manner. Accordingly, I believe that each Successful Bidder has agreed to purchase the respective Sale Assets in good faith and for fair value, and as a good-faith purchaser.

14. To the best of my knowledge, information, and belief, neither Zoll or Trudell is an "insider" or "affiliate" of any of the Debtors, as those terms are defined in the Bankruptcy Code, and I am aware of no common identity of incorporators, directors, or controlling stakeholders between either Zoll or Trudell and the Debtors.

15. Further, I believe that consummating the transactions contemplated in the APAs is a sound exercise of the Debtors' business judgment and in the best interest of the Debtors' estates. The terms of the Zoll APA and Trudell APA reflect the success of the Debtors' extensive Marketing and Sale Process and represent the highest or best offers presently available for the Sale Assets under the circumstances. Indeed, Zoll was selected as the Vents Successful Bidder, on the terms set forth in the Zoll APA, after submitting the highest or otherwise best bid at the Auction. Trudell was selected as the RDx Successful Bidder after submitting the only actionable proposal for the RDx Assets. Moreover, I believe that the sale transactions, which provide for going-concern sales of the Debtors' ventilation and respiratory diagnostics businesses, provide the greatest potential for maximizing the value of the Debtors' estates and help avoid the risks inherent in a piecemeal liquidation. Furthermore, because the sales are for going-concerns of the Debtors' businesses, the sales will preserve hundreds of jobs and ensure patients have continued access to

the Company's life-saving products. Accordingly, I believe that the Court should enter the Sale Orders and approve the sales to the Successful Bidders on the terms set forth in the APAs as a valid and sound exercise of the Debtors' business judgment.

Conclusion

16. Based on the foregoing, the sales to Zoll and Trudell on the terms set forth in the APAs reflect the highest or otherwise best offers for the Sale Assets currently available under the circumstances of these chapter 11 cases, and entry into the APAs is in the best interest of the Debtors' estates. Accordingly, I believe that the Court should enter the Sale Orders and approve the sales on the terms and conditions set forth in the Zoll APA and Trudell APA.

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: August 21, 2024

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