

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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In re:	:	Chapter 11
	:	
Ambri Inc., ¹	:	Case No. 24- 10952 (___)
	:	
Debtor.	:	
	:	
	X	

**DECLARATION OF STEVEN BREMER IN SUPPORT OF THE DEBTOR’S
MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING
THE DEBTOR TO (A) OBTAIN POSTPETITION FINANCING AND (B) UTILIZE
CASH COLLATERAL, (II) GRANTING ADEQUATE PROTECTION TO
PREPETITION SECURED PARTIES, (III) MODIFYING THE AUTOMATIC STAY,
(IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF**

I, Steven Bremer, hereby declare under penalty of perjury as follows:

1. I am a Managing Director at Triple P Securities, LLC, the proposed investment banker to Ambri Inc., as debtor and debtor-in-possession in the above-captioned chapter 11 case (the “Debtor”). Triple P Securities, LLC is wholly owned by Portage Point Partners, LLC (“Portage Point”). Triple P RTS, LLC, the Debtor’s proposed restructuring advisor is also wholly owned by Portage Point.

2. I submit this declaration (this “Declaration”) in support of the *Debtor’s Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related*

¹ The Debtor’s mailing address is 53 Brigham Street, Unit 8, Marlborough, MA 01752, and the last four digits of the Debtor’s federal tax identification number are 0023.

Relief (the “DIP Motion”),² which seeks approval of a new money postpetition financing facility (the “DIP Term Facility”) and use of Cash Collateral.

3. In forming the testimony set forth herein, I have relied upon and/or considered, among other things, the following: (a) my experiences in chapter 11 cases, including with debtor-in-possession (“DIP”) financing facilities and the retention of investment bankers in connection with financial restructurings and sales of businesses and assets; (b) the DIP Motion; (c) certain of the Debtor’s financial statements and reports; (d) documents related to the proposed DIP Facility; (e) Portage Point’s analyses regarding the proposed DIP Term Facility and DIP financings in other chapter 11 cases; (f) discussions with the Debtor’s management concerning the Debtor’s business and finances; and (g) discussions with certain other professionals at Portage Point and other advisors to the Debtor.

Qualifications

4. Portage Point is a business advisory, interim management, investment banking, and financial services firm whose professionals have a wealth of experience in providing financial advisory, restructuring advisory, and turnaround management services and which enjoys an excellent reputation for services it has rendered on behalf of debtors and creditors throughout the United States, both in chapter 11 proceedings and out of court restructurings. The Portage Point team is comprised of operators and advisors with proven skills necessary to identify, preserve, and create value in the most challenging and complex situations. Portage Point’s professionals have extensive experience across a wide range of industries.

² Capitalized terms used but not defined herein have the meanings given to such terms in the Motion or the DIP Credit Agreement, as applicable.

5. I received both a Bachelor of Science degree and a Master of Science degree in Systems Engineering from the University of Virginia and an MBA from the Wharton School at the University of Pennsylvania. I have over sixteen (16) years of experience advising and executing on financing and restructuring transactions, as well as mergers and acquisitions. My experience includes representing companies, boards, creditors, and other stakeholders in a variety of situations. Prior to joining Portage Point, I was a partner in the restructuring and debt advisory group of Centerview Partners, a director at Millstein & Co., and a vice president at Miller Buckfire & Co.

6. Portage Point's professionals have assisted, advised, and provided strategic advice to debtors, creditors, bondholders, investors, and other entities in numerous cases, including the following: *In re Nogin, Inc.*, No. 23-11945 (CTG) (Bankr. D. Del. December 5, 2023); *In re Benitago Inc.*, No. 23-11394 (SHL) (Bankr. S.D.N.Y August 31, 2023); *In re PlastiQ*, Case No. 23-10174 (BLS) (Bankr. D. Del. June 19, 2023); *In re Big Village Holding LLC*, Case No. 23-10174 (CTG) (Bankr. D. Del. Mar. 6, 2023); *In re Performance Powersports Group Investor, LLC*, Case No. 23-10047 (LSS) (Bankr. D. Del. Jan. 16, 2023); *In re Pipeline Health System, LLC*, Case No. 22-90291 (MI) (Bankr. S.D. Tex. Oct. 2, 2022) (Independent Board Member and Restructuring Committee Chair); *In re Voyager Digital Holdings LLC*, Case No. 22-10943 (MEW) (Bankr. S. D. N. Y. July 5, 2022) (Independent Board Member and Restructuring Committee Chair); *In re VJGJ, Inc. (f/k/a Teligent, Inc.)*, Case No. 21-11332 (BLS) (Bankr. D. Del. Oct. 14, 2021); *In re Alex and Ani, LLC*, Case No. 21-10918 (CTG) (Bankr. D. Del. July 15, 2021); *In re Alamo Drafthouse Cinemas Holdings, LLC*, Case No. 21-10474 (MFW) (Bankr. D. Del. Mar. 29, 2021); *In re APC Automotive Technologies Intermediate Holdings, LLC*, Case No. 20-11466 (CSS) (Bankr. D. Del. June 23, 2020) (Independent Board member and Restructuring Committee Chair);

In re LGA3 Corp., Case No. 20-11456 (LSS) (Bankr. D. Del. June 1, 2020); *In re Melinta Therapeutics*, Case No. 19-12748 (LSS) (Bankr. D. Del. Dec. 27, 2019); *In re Dura Automotive Systems*, No. 19-12378 (KBO), (Bankr. D. Del. Oct. 17, 2019); *In re Loot Crate, Inc.*, Case No. 19-11791 (BLS) (Bankr. D. Del. Sep. 18, 2019); *In re Blackhawk Mining LLC, et al.*, Case No. 19-11595 (LSS) (Bankr. D. Del. July 19, 2019); *In re Z Gallerie, LLC*, Case No. 19-10488 (KBO) (Bankr. D. Del. Mar. 11, 2019); *In re GAL Liquidating Corp. (f/k/a GST AutoLeather, Inc.)*, Case No. 17-12100 (LSS) (Bankr. D. Del. Oct. 3, 2017); *In re Rupari Holding Corp.*, Case No. 17-10793 (KJC) (Bankr. D. Del. Apr. 10, 2017) (Independent Board Member and Restructuring Committee Chair); *In re Modular Space Corporation*, Case No. 16-12825 (KJC) (Bankr. D. Del. Dec. 21, 2016); *In re Triangle Petroleum USA Corp.*, Case No. 16-11566 (MFW) (Bankr. D. Del. June 29, 2016); *In re Verso Corporation*, Case No. 16-10163 (KG) (Bankr. D. Del. Jan. 26, 2016).

7. The Debtor engaged Portage Point in March 2024, to provide various restructuring advisory and investment banking services. Since commencing its engagement, Portage Point has provided assistance in numerous areas including in connection with the Debtor's pursuit of debtor-in-possession financing and its marketing process. Portage Point has worked closely with the Debtor's management and other restructuring professionals and has become well acquainted with the Debtor's capital structure, liquidity needs, and business operations.

The Debtor's Need for DIP Financing and Access to Cash Collateral

8. As further described in the DIP Motion and the Chiu Declaration, I understand that the Debtor requires access to the DIP Term Facility and use of Cash Collateral to fund the costs of administering this chapter 11 case (the "Chapter 11 Case"), fund its near-term working capital needs and ongoing business operations, and pursue a value maximizing transaction.

Alternative Sources of Financing Are Not Executable

9. In consultation with the Debtor and its advisors, Portage Point developed a list of parties that could be interested in providing financing to the Debtor to fund this Chapter 11 Case. As I understand that the Debtor is a pre-revenue company and has no material unencumbered assets, the strategy to obtain the best source of financing from the market was reflective of the practical realities of the Debtor's existing circumstances. As such, at the direction of the Debtor, Portage Point reached out to four third-party institutions that routinely provide debtor-in-possession financing. Portage Point inquired whether any of these parties would be willing to extend financing to the Debtor on an unsecured, junior priority, or priming basis. Each of these parties confirmed that, in light of the facts and circumstances, they had no interest in extending financing to the Debtor on an unsecured, junior priority or priming basis.

10. In addition, Portage Point engaged with the DIP Lenders as a potential source of financing. The DIP Lenders submitted an initial term sheet for a DIP facility on April 24, 2024. After extensive, arm's-length negotiations with the DIP Lenders, the Debtor was able to secure the proposed \$9.5 million new money DIP Term Facility. The "roll-up," and rates to be paid under the proposed DIP Term Facility are integral components of the overall terms of the proposed DIP Term Facility and were required by the DIP Lenders as consideration for the extension of postpetition financing.

11. Based on the financing process described above, I believe that there are no alternative sources of financing reasonably available to the Debtor, and no alternative sources of financing currently available under the circumstances on both better and executable terms than those being provided by the DIP Lenders under the DIP Term Facility.

12. The DIP Term Facility provides a path to a transaction that the Debtor believes is necessary to continue critical technology development, reassure suppliers, customers, protect operations, and maximize value for all stakeholders. Accordingly, in my view, the DIP Term Facility is reasonable and appropriate under the circumstances and is the Debtor's best option currently available under the circumstances.

The DIP Term Facility Proposal

13. The Debtor and the DIP Lenders engaged in arm's-length negotiations regarding a financing proposal to fund the Chapter 11 Case. Following extensive negotiations, the Debtor and the DIP Lenders agreed to terms that provide access to new money during the pendency of this Chapter 11 Case.

14. As noted in the DIP Motion, the proposed DIP Term Facility consists of (i) a superpriority senior secured debtor-in-possession credit facility for the principal amount of approximately \$9.5 million, of which (a) \$3.75 million will be made available by the DIP Lenders following entry of the Interim Order, and (b) \$5.75 million will be made available by the DIP Lenders subject to entry of the Final Order, and (ii) (a) a roll-up of the Prepetition Secured Indebtedness (as defined in the Interim Order) on a dollar-for-dollar basis effective upon the entry of the Interim Order, and (b) a roll-up of the balance of the Prepetition Secured Indebtedness upon entry of the Final Order. The DIP Term Facility matures 90 days after entry of the Interim Order, and all amounts outstanding under the DIP Term Facility shall be due and payable in full on the Maturity Date. I understand that the DIP Term Facility will be secured by liens that are senior and rank in superpriority to the Prepetition Secured Notes Liens.

15. The Debtor's borrowing under the DIP Term Facility is an express condition to the consensual use of the Prepetition Secured Noteholders' Cash Collateral in this Chapter 11 Case. I

understand that all of the Debtor's cash on hand as of the Petition Date is subject to the liens of the Prepetition Secured Noteholders and thus constitutes Cash Collateral. In the absence of a consensual deal with the Prepetition Secured Noteholders regarding the DIP Term Facility and use of Cash Collateral, the Debtor anticipates that there would have been a contentious dispute on the first day of this Chapter 11 Case with respect to nonconsensual use of Cash Collateral and/or the priming of the Prepetition Collateral, the outcome of which would have been uncertain.

The DIP Term Facility Was Negotiated in Good Faith and At Arm's-Length

16. My team and I, along with the Debtor's other advisors, actively negotiated the terms and provisions of the DIP Term Facility on behalf of the Debtor in the weeks leading up to the Petition Date. The process was rigorous and marked by hard bargaining to achieve the best available terms for the Debtor for what ultimately became the DIP Term Facility. During that time, the parties exchanged term sheets and mark-ups in an effort to reach the best currently available material terms under the circumstances.

17. Based on my experience in representing debtors and creditors in chapter 11 cases and distressed financial transactions, I believe the terms of the DIP Term Facility are reasonable for debtor-in-possession financings under the current circumstances. The terms of the DIP Term Facility were negotiated in good faith and on an arm's-length basis. The terms and conditions of the DIP Term Facility are reasonable under the circumstances, and I understand that the proceeds of the DIP Term Facility will be used only for purposes that are permissible under the Bankruptcy Code.

18. The DIP Term Facility also contains certain Case Milestones (as defined in the DIP Loan Documents) that the Debtor must meet throughout the Chapter 11 Case. The Case Milestones were negotiated by the DIP Lenders as a condition to providing the DIP Term Facility and the

Debtor, in consultation with its advisors, believe that the Case Milestones provide them with adequate time to pursue a value-maximizing transaction.

The DIP Term Facility is Reasonable Under the Circumstances

19. Based on my experience with debtor-in-possession financing transactions, as well as my involvement in the negotiation of the DIP Term Facility and pursuit of alternative postpetition financing proposals, I believe that the DIP Term Facility is the best financing option currently available to the Debtor under these circumstances. As noted above, the proposed DIP Term Facility provides the Debtor with access to crucial liquidity and the runway to pursue a sale transaction with the support of the Prepetition Secured Parties.

20. Moreover, in addition to providing the Debtor with liquidity, the DIP Term Facility will provide the Debtor with access to the use of Cash Collateral on a consensual basis. I understand that if the Debtor is unable to use Cash Collateral, it will be unable to fund payroll obligations, procure goods and services from vendors, run the necessary sale process, or administer this Chapter 11 Case, thereby dissipating value to the detriment of the Prepetition Secured Noteholders and other stakeholders.

Conclusion

21. In sum, based on my experience with DIP financing transactions, as well as my involvement in the negotiation of the DIP Term Facility and pursuit of alternative post-petition financing proposals, I believe, that the terms of the DIP Term Facility are reasonable under the circumstances and were the product of good faith, arm's-length negotiations.

[Signature Page Follows]

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated:

May 6, 2024

New York, New York

/s/ Steven W. Bremer

Name: Steven W. Bremer

Title: Managing Director, Triple P Securities,
LLC

Proposed Investment Banker to the Debtor