

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In Re:

NOSTRUM LABORATORIES, INC.

Debtor.

Case No. 24-19611

Chapter 11

Honorable John K. Sherwood, U.S.B.J.

Hearing Date: April 8, 2025 at 2:00pm

**DECLARATION OF NIRMAL MULYE IN RESPONSE TO THE DEBTOR'S MOTION
TO SELL PROPERTY FREE AND CLEAR OF LIENS**

Nirmal Mulye, Ph.D., pursuant to 28 U.S.C. § 1746, hereby declares under penalty of perjury as follows:

1. I am the Chairman of the Board and Chief Executive Officer of Debtor Nostrum Laboratories, Inc. ("NLI" or "Debtor") in the above-captioned action, and I have served in those capacities since the time when I formed those companies, in 2006 and 2007, respectively. I am familiar with the facts and circumstances set forth herein, and respectfully submit this declaration in response to the Debtor's Motion to Sell Property Free and Clear of Liens under Section 363(f) (Docket No. 337) (hereinafter the "Motion").

2. I have reviewed the Motion to Sell filed on behalf of the Debtor along with the various objections filed to the Motion, which I understand were filed by parties that did not

attend the auction sale that took place on April 1, 2025 and now wished to submit competitive offers to the proposed Successful Bids that the subject of the Debtor's Motion to Sell.

3. As the Court is aware, in an effort to garner additional interest and potential bidders that were not being contacted by the existing Court Appointed Investment Banker handling the Sale Process, Raymond James, I previously attempted to engage BDA Partners as an Additional Investment Banker on behalf of the Debtor. Unfortunately, after several objections to the Application to Retain BDA Partners were filed by the primary Secured Creditor, Citizens Bank, the Creditor's Committee and a response from Raymond James, the Application was denied by Order of the Court dated March 7, 2025.

4. As a result of the above, only a limited about of potentially qualified bidders were notified of the sale process and scheduled sale date.

5. Notwithstanding the foregoing, beyond those parties that have now filed formal objections to the Motion to Sell, I have also been contacted by and spoken with several parties who were unaware of the sale process or scheduled auction sale date and who have expressed an interest in submitting higher and better offers to various products and assets owned by the Debtor.

6. I understand that several of the parties whom I have spoken to have already reached out to Raymond James, submitted their bids along with proof of funds and are in the process of attempting to satisfy all of the qualification requirements established by Raymond James, which include offers from Jes Dimond who represents a large group from India called Shankus who are interested in purchasing Debtor's Ohio plant and all assets contained therein at an amount in excess of the existing proposed bid by over one million dollars; Aelix who is bidding for all of the Kansas City assets and who will undoubtedly satisfy the heightened

regulatory requirements established by the FDA and DEA given their existing operations; and Prasco with respect to the Ohio plant.

7. I have also been in touch with a company named Blue Pax who is a large distributor that has expressed interest in bidding for all of the Debtor's assets and acquiring the company as a whole, but would require a brief additional time period to satisfy their due diligence before being in a position to submit a formal bid. I understand that there are other similarly situated companies who other officers of the Debtor have spoken to including Mr. Berk who was designed by the Court as the Officer Handling the Sale process on behalf of the Debtor.

8. Given all of the foregoing, it is respectfully requested that the Court extend the objection deadline and adjourn the hearing on the Debtor's Motion to Sell to allow these interested parties and potentially even other bidders to submit what is my understanding will be higher and better offers for the Debtor's assets, which is clearly in the best interests of the Debtor's entire creditor base.

I certify that the foregoing statements made by me are true to the best of my knowledge.

I am aware that if any of the foregoing statements made by me are willfully false, that I am subject to punishment.

/s/ Nirmal Mulye
Nirmal Mulye

Dated: April 8, 2025