

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

In re:

Apple Tree Life Sciences, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-12177 (LSS)

(Joint Administration Requested)

**SUPPLEMENTAL DECLARATION OF PERRY M. MANDARINO,
CHIEF RESTRUCTURING OFFICER OF THE DEBTORS,
IN SUPPORT OF CHAPTER 11 PETITIONS AND FIRST DAY MOTIONS**

I, Perry M. Mandarino (“Mandarino”) hereby declare (the “Supplemental Declaration”) as follows:²

1. I am Head of Restructuring and a Senior Managing Director at B. Riley Restructuring Services, LLC (“BRRS”), resident in its office located at 299 Park Avenue, New York, NY 10171. I was appointed as Chief Restructuring Officer (“CRO”) of the Debtors on December 9, 2025 and December 12, 2025.

2. I have approximately thirty-five years of restructuring experience, most of which has involved corporate restructuring transactions. Prior to BRRS, I was a Partner and Leader of the Business Recovery Services Practice at PricewaterhouseCoopers LLC, a financial advisory and accounting firm with numerous offices throughout the country. Before then, I was Senior Managing Director at Traxi LLC beginning in April 2002. Prior to April 2002, I was a partner at Arthur Andersen LLP. I received a Bachelor of Science in Accounting from Seton Hall University

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number include: Apple Tree Life Sciences, Inc. (4506); ATP Life Science Ventures, L.P. (8224); ATP III GP, Ltd. (6091); Apertor Pharmaceuticals, Inc. (3161); Initial Therapeutics, Inc. (2453); Marlinspike Therapeutics, Inc. (4757); and Red Queen Therapeutics, Inc. (8563). The location of the Debtors’ service address in these chapter 11 cases is 230 Park Avenue, Suite 2800, New York, NY 10169.

² Capital Terms that are not defined in the Supplemental Declaration have the meaning ascribed to them in the *Declaration of Perry Mandarino, Chief Restructuring Officer of the Debtors, in Support of Chapter 11 Petitions and First Day Motion* (the “December 15 Declaration”), filed under Docket No. 25.



in 1987. Throughout my career I have advised hundreds of debtors, lenders and other stakeholders on numerous restructuring transactions in complex chapter 11 cases. I have served as a Chief Restructuring Officer in re: *Hoop Holdings, Inc., d/b/a The Disney Stores*, Case No. 08-10544 (BLS-DE) and in re: *MIIX Group Holdings*, Case No. 04-13588 (MFW-DE); Chapter 11 Trustee in re: *James F. Lomma/New York Crane & Equipment Corp.*, (16-40043 CEC-EDNY); Examiner in re: *Polaroid Corporation*, Case No. 01-10864 (PJW-DE) and in re: *Summit Global Logistics, Inc.* (Case No. 08-11566 (DKS-NJ)) and served as financial advisor and investment banker in numerous cases, including many in the District of Delaware. I have also been involved in the management of certain principal positions for affiliates of B. Riley Financial, Inc. (NASDAQ:RILY).

3. The purpose of the Supplemental Declaration is to supplement the December 15 Declaration with respect to the 13-week cash flow budget (the “Budget”), which the Debtors prepared with the assistance of their advisors, and is attached hereto as **Exhibit B**. The information and assumptions reflected in the Budget are based upon my personal knowledge, my review of relevant documents, information provided to me by the Debtors management, professionals in this Chapter 11 Case and/or employees working under my supervision, or my opinion based upon my experience, knowledge, and information concerning the Debtors’ operations.

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

Executed this 17th day of December, 2025.

/s/ Perry M. Mandarino
Perry M. Mandarino
Chief Restructuring Officer

EXHIBIT B

Budget

Project Newton
13-Week Cashflow Forecast
12/17/2025

1. Assumptions
2. 13-Week Cashflow
3. Non-Debtor Portfolio Company Funding

For information purposes, subject to change.

Project Newton
Assumptions

No.	Description
1. AR Collections - Portfolio Companies	Monthly billings to portfolio companies under existing service agreements
2. Interest Income	Interest collected from cash held in interest bearing bank accounts
3. Rigmora Judgement	Given the representations made by counsel to Rigmora at the December 15, 2025 Bankruptcy Court status conference, \$96,960,926 is included as a cash receipt. However, we have not assumed use of the funds. DIP Financing will be pursued.
5. DIP Financing Proceeds	Assumed amount for the first 13 weeks of the case.
6. Payroll & Benefits	Bi-monthly employee payroll and benefits. Will increase 5% for salaries and 15% for benefits starting January reflecting inflation and cost of living adjustments
7. Retention Bonus	Assumes 25% of normal bonus; full analysis to be completed and submitted for Court approval
8. Year-End Bonuses	2025 Year-end bonuses for approximately 40 employees including senior management based on existing contractual target percentages assuming Bankruptcy Court Approval
9. External R&D Spend	Research and development expenses will continue per approved Debtor's Budgets.
10. Consultants - Internal	Fixed quarterly fee based on the consulting services agreement with Palmier Services, LTD (Anna Baturina)
11. Consultants - External	Consulting fee based on contractual hourly rates for outsourced FP&A services of eight employees forecasted as last six month average
12. Management Fee - ATVM	Quarterly GP management payments to Dr. Harrison. Contractually, \$3 million is due on January 1, 2026. Dr. Harrison has voluntarily agreed to adjust payment schedule to quarterly payments of \$750,000.
13. Non-Debtor Portfolio Company Funding	Critical payments to portfolio companies for payroll, R&D, overhead, and IP preservation; see attached schedule
14. Rent, Maintenance & Utilities	Fixed monthly office rent and Monthly utilities, cleaning, and common area maintenance as last six month average for New York, Boston and shared office spaces.
15. Bank fees	Variable monthly fees based on last six month averages across Bank of California, Citizens Bank, and JPM
16. Payroll Processing Fees	Monthly Insperity fees forecasted based on last six month average; includes costs to transition portfolio companies to more efficient payroll system, Rippling
17. Scientific Databases	Monthly contractual payments for Springer, Citeline, Clarivate access to support operations
18. Insurance	Monthly D&O, liability, and EPLI insurance premiums based on last six month averages
19. Internet, Communications, & Office Supplies	Monthly internet, phone, software costs based on last six month averages and laptop, hardware, office equipment, and third-party IT support costs forecasted at base amount per head for continued operations
20. PR and Marketing	Fixed monthly Catalytic Agency fees for marketing and PR services
21. Travel and Meals	Travel expenses forecasts on last six month averages and adjusted for anticipated litigation/bankruptcy events
22. Professional Fees - Non-Bankruptcy	Estimated monthly patent and ordinary course legal fees.
23. Professional Fees - Non-Legal	Third-party valuation costs per audit requirements forecasted on LTM average
24. Taxes	Annual partnership tax distributions, real estate taxes, and franchise taxes
25. Other	Other monthly expenses based on per-employee historical averages
28. Professional Fees	Estimated monthly bankruptcy professional service fees
29. US Trustee Fees	Estimated amount
30. DIP Financing Interest	Amount represents placeholder upfront costs for a DIP Financing

Project Newton						
13-Week Cashflow						
Beginning Cash Balance: 12/09/2025		\$ 17,281,275.38				
No.	Period Ended	Forecast 12/16/2025	Forecast 12/23/2025	Forecast 12/30/2025	Forecast 1/6/2026	Forecast 1/13/2026
1.	AR Collections - Portfolio Companies	-	\$78,366	-	\$84,151	-
2.	Interest Income	13,293	12,764	12,294	10,170	8,203
3.	Rigmora Judgement	-	-	-	-	-
4.	Total Operational Cash Receipts	\$13,293	\$91,129	\$12,294	\$94,321	\$8,203
5.	DIP Financing Proceeds	-	-	-	-	-
6.	Payroll & Benefits	-	-	(336,782)	-	(408,342)
7.	Retention Bonus	-	-	-	-	-
8.	Year-End Bonuses	-	-	-	-	-
9.	External R&D Spend	-	-	(398,889)	-	-
10.	Consultants - Internal	-	-	-	(377,110)	-
11.	Consultants - External	-	-	-	(474,208)	-
12.	Management Fee - ATVM	-	-	-	(750,000)	-
13.	Non-Debtor Portfolio Company Funding	-	-	(868,437)	-	(295,504)
14.	Rent, Maintenance & Utilities	-	-	-	(125,276)	-
15.	Bank fees	-	-	(12,000)	(1,900)	-
16.	Payroll Processing Fees	-	-	(450)	(4,000)	(450)
17.	Scientific Databases	-	-	-	-	-
18.	Insurance	-	-	-	-	-
19.	Internet, Communications, & Office Supplies	(375)	(375)	(375)	(48,450)	(375)
20.	PR and Marketing	-	-	-	(7,500)	-
21.	Travel and Meals	(8,767)	(8,767)	(8,767)	(81,520)	(12,100)
22.	Professional Fees - Non-Bankruptcy	-	-	-	-	-
23.	Professional Fees - Non-Legal	-	-	-	-	-
24.	Taxes	-	-	(456,542)	(32,000)	-
25.	Other	-	-	-	(7,000)	-
26.	Disbursements before Ch 11 Expenses	(\$9,142)	(\$9,142)	(\$2,082,241)	(\$1,908,964)	(\$716,771)
27.	Ch 11 Expenses					
28.	Professional Fees	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)
29.	US Trustee Fees	-	-	-	(50,000)	-
30.	DIP Financing Interest	-	-	-	-	-
31.	Total Disbursements	(\$701,449)	(\$701,449)	(\$2,774,549)	(\$2,651,272)	(\$1,409,078)
32.	Net Activity:	(\$688,156)	(\$610,320)	(\$2,762,254)	(\$2,556,951)	(\$1,400,876)
33.	Ending Balance	\$16,593,119	\$15,982,799	\$13,220,545	\$10,663,594	\$9,262,719
28.	Professional fees					
	Quinn Emanuel Urquhart & Sullivan, LLP	(\$346,154)	(\$346,154)	(\$346,154)	(\$346,154)	(\$346,154)
	Potter Anderson & Corroon LLP	(161,538)	(161,538)	(161,538)	(161,538)	(161,538)
	B. Riley	(115,385)	(115,385)	(115,385)	(115,385)	(115,385)
	Kurtzman Carson Consultants, LLC dba Verita Globa	(46,154)	(46,154)	(46,154)	(46,154)	(46,154)
	Other	(23,077)	(23,077)	(23,077)	(23,077)	(23,077)
28.	Professional fees	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)

Project Newton						
13-Week Cashflow						
Beginning Cash Balance: 12/09/2025						
No.	Period Ended	Forecast 1/27/2026	Forecast 2/3/2026	Forecast 2/10/2026	Forecast 2/17/2026	Forecast 2/24/2026
1.	AR Collections - Portfolio Companies	\$75,916	-	-	\$75,916	-
2.	Interest Income	6,545	18,530	17,670	13,645	9,065
3.	Rigmora Judgement	-	-	-	-	-
4.	Total Operational Cash Receipts	\$82,461	\$18,530	\$17,670	\$89,561	\$13,128
5.	DIP Financing Proceeds	\$20,000,000	-	-	-	-
6.	Payroll & Benefits	(408,342)	-	(408,342)	-	(408,342)
7.	Retention Bonus	-	-	(292,218)	-	-
8.	Year-End Bonuses	-	-	(2,452,183)	-	-
9.	External R&D Spend	(398,889)	-	-	-	(398,889)
10.	Consultants - Internal	-	-	-	-	-
11.	Consultants - External	-	(102,473)	-	-	(102,473)
12.	Management Fee - ATVM	-	-	-	-	-
13.	Non-Debtor Portfolio Company Funding	(2,988,683)	-	(1,313,736)	-	(3,861,016)
14.	Rent, Maintenance & Utilities	-	(125,276)	-	-	(125,276)
15.	Bank fees	-	(1,900)	-	-	(1,900)
16.	Payroll Processing Fees	(450)	(4,000)	(450)	-	(450)
17.	Scientific Databases	-	-	(61,000)	-	-
18.	Insurance	-	-	-	-	(87,796)
19.	Internet, Communications, & Office Supplies	(375)	(32,450)	(18,375)	(375)	(375)
20.	PR and Marketing	-	(7,500)	-	-	(7,500)
21.	Travel and Meals	(12,100)	(81,520)	(12,100)	(69,000)	(12,100)
22.	Professional Fees - Non-Bankruptcy	-	(57,640)	-	-	(57,640)
23.	Professional Fees - Non-Legal	-	(25,000)	-	-	(25,000)
24.	Taxes	-	-	-	-	-
25.	Other	-	(7,000)	-	-	(7,000)
26.	Disbursements before Ch 11 Expenses	\$16,191,161	(\$444,759)	(\$4,558,404)	(\$69,375)	(\$4,768,968)
27.	Ch 11 Expenses					
28.	Professional Fees	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)
29.	US Trustee Fees	-	-	-	-	-
30.	DIP Financing Interest	-	-	-	166,667	-
31.	Total Disbursements	\$15,498,854	(\$1,137,067)	(\$5,250,712)	(\$761,683)	(\$5,294,609)
32.	Net Activity:	\$15,581,314	(\$1,118,536)	(\$5,233,042)	(\$672,122)	(\$5,281,481)
33.	Ending Balance	\$24,089,476	\$22,970,939	\$17,737,897	\$17,065,775	\$11,784,294
28.	Professional fees					
	Quinn Emanuel Urquhart & Sullivan, LLP	(\$346,154)	(\$346,154)	(\$346,154)	(\$346,154)	(\$346,154)
	Potter Anderson & Corroon LLP	(161,538)	(161,538)	(161,538)	(161,538)	(161,538)
	B. Riley	(115,385)	(115,385)	(115,385)	(115,385)	(115,385)
	Kurtzman Carson Consultants, LLC dba Verita Glot	(46,154)	(46,154)	(46,154)	(46,154)	(46,154)
	Other	(23,077)	(23,077)	(23,077)	(23,077)	(23,077)
28.	Professional fees	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)	(\$692,308)

Project Newton		
13-Week Cashflow		
Beginning Cash Balance: 12/09/2025		
No.	Period Ended	Forecast 3/10/2026
		Forecast 13-Week Forecast Total
1.	AR Collections - Portfolio Companies	\$48,398
2.	Interest Income	8,166
3.	Rigmora Judgement	-
4.	Total Operational Cash Receipts	\$56,564
5.	DIP Financing Proceeds	-
6.	Payroll & Benefits	-
7.	Retention Bonus	-
8.	Year-End Bonuses	-
9.	External R&D Spend	-
10.	Consultants - Internal	-
11.	Consultants - External	-
12.	Management Fee - ATVM	-
13.	Non-Debtor Portfolio Company Funding	-
14.	Rent, Maintenance & Utilities	-
15.	Bank fees	-
16.	Payroll Processing Fees	-
17.	Scientific Databases	-
18.	Insurance	-
19.	Internet, Communications, & Office Supplies	(3,375)
20.	PR and Marketing	-
21.	Travel and Meals	(12,100)
22.	Professional Fees - Non-Bankruptcy	-
23.	Professional Fees - Non-Legal	(75,000)
24.	Taxes	(14,400)
25.	Other	-
26.	Disbursements before Ch 11 Expenses	(\$104,875)
27.	Ch 11 Expenses	
28.	Professional Fees	(\$692,308)
29.	US Trustee Fees	-
30.	DIP Financing Interest	-
31.	Total Disbursements	(\$797,183)
32.	Net Activity:	(\$740,618)
33.	Ending Balance	\$9,875,674
28.	Professional fees	
	Quinn Emanuel Urquhart & Sullivan, LLP	(\$346,154)
	Potter Anderson & Corroon LLP	(161,538)
	B. Riley	(115,385)
	Kurtzman Carson Consultants, LLC dba Verita Glot	(46,154)
	Other	(23,077)
28.	Professional fees	(\$692,308)

Project Newton

Non-Debtor Port. Funding

No.	Period Ended	Forecast 12/16/2025	Forecast 12/23/2025	Forecast 12/30/2025	Forecast 1/6/2026	Forecast 1/13/2026	Forecast 1/20/2026
	1. AR Collections - Portfolio Companies	-	-	-	-	-	-
	2. Interest Income	-	-	-	-	-	-
	3. Rigmora Judgement	-	-	-	-	-	-
	4. Total Operational Cash Receipts	-	-	-	-	-	-
	5. DIP Financing Proceeds	-	-	-	-	-	-
	6. Payroll & Benefits	-	-	(295,504)	-	(295,504)	-
	7. Retention Bonus	-	-	-	-	-	-
	8. Year-End Bonuses	-	-	-	-	-	-
	9. External R&D Spend	-	-	-	-	-	-
	10. Consultants - Internal	-	-	-	-	-	-
	11. Consultants - External	-	-	-	-	-	-
	12. Management Fee - ATVM	-	-	-	-	-	-
	13. Non-Debtor Portfolio Company Funding	-	-	-	-	-	-
	14. Rent, Maintenance & Utilities	-	-	(572,933)	-	-	-
	15. Bank fees	-	-	-	-	-	-
	16. Payroll Processing Fees	-	-	-	-	-	-
	17. Scientific Databases	-	-	-	-	-	-
	18. Insurance	-	-	-	-	-	-
	19. Internet, Communications, & Office Supplies	-	-	-	-	-	-
	20. PR and Marketing	-	-	-	-	-	-
	21. Travel and Meals	-	-	-	-	-	-
	22. Professional Fees - Non-Bankruptcy	-	-	-	-	-	-
	23. Professional Fees - Non-Legal	-	-	-	-	-	-
	24. Taxes	-	-	-	-	-	-
	25. Other	-	-	-	-	-	-
	26. Disbursements before Ch 11 Expenses	-	-	(\$868,437)	-	(\$295,504)	-
	27. Ch 11 Expenses						
	28. Professional Fees	-	-	-	-	-	-
	29. US Trustee Fees	-	-	-	-	-	-
	30. DIP Financing Interest	-	-	-	-	-	-
	31. Total Disbursements	-	-	(\$868,437)	-	(\$295,504)	-
	32. Net Activity:	-	-	(\$868,437)	-	(\$295,504)	-

Project Newton							
Non-Debtor Port. Funding							
No.	Period Ended	Forecast 1/27/2026	Forecast 2/3/2026	Forecast 2/10/2026	Forecast 2/17/2026	Forecast 2/24/2026	Forecast 3/3/2026
	1. AR Collections - Portfolio Companies	-	-	-	-	-	-
	2. Interest Income	-	-	-	-	-	-
	3. Rigmora Judgement	-	-	-	-	-	-
	4. Total Operational Cash Receipts	-	-	-	-	-	-
	5. DIP Financing Proceeds	-	-	-	-	-	-
	6. Payroll & Benefits	(295,504)	-	(295,504)	-	(295,504)	-
	7. Retention Bonus	-	-	(198,288)	-	-	-
	8. Year-End Bonuses	-	-	(819,944)	-	-	-
	9. External R&D Spend	(2,120,246)	-	-	-	(2,992,579)	-
	10. Consultants - Internal	-	-	-	-	-	-
	11. Consultants - External	-	-	-	-	-	-
	12. Management Fee - ATVM	-	-	-	-	-	-
	13. Non-Debtor Portfolio Company Funding	-	-	-	-	-	-
	14. Rent, Maintenance & Utilities	(572,933)	-	-	-	(572,933)	-
	15. Bank fees	-	-	-	-	-	-
	16. Payroll Processing Fees	-	-	-	-	-	-
	17. Scientific Databases	-	-	-	-	-	-
	18. Insurance	-	-	-	-	-	-
	19. Internet, Communications, & Office Supplies	-	-	-	-	-	-
	20. PR and Marketing	-	-	-	-	-	-
	21. Travel and Meals	-	-	-	-	-	-
	22. Professional Fees - Non-Bankruptcy	-	-	-	-	-	-
	23. Professional Fees - Non-Legal	-	-	-	-	-	-
	24. Taxes	-	-	-	-	-	-
	25. Other	-	-	-	-	-	-
	26. Disbursements before Ch 11 Expenses	(\$2,988,683)	-	(\$1,313,736)	-	(\$3,861,016)	-
	27. Ch 11 Expenses						
	28. Professional Fees	-	-	-	-	-	-
	29. US Trustee Fees	-	-	-	-	-	-
	30. DIP Financing Interest	-	-	-	-	-	-
	31. Total Disbursements	(\$2,988,683)	-	(\$1,313,736)	-	(\$3,861,016)	-
	32. Net Activity:	(\$2,988,683)	-	(\$1,313,736)	-	(\$3,861,016)	-

Project Newton			
Non-Debtor Port. Funding			
No.	Period Ended	Forecast 3/10/2026	Forecast 13-Week Forecast Total
	1. AR Collections - Portfolio Companies	-	-
	2. Interest Income	-	-
	3. Rigmora Judgement	-	-
	4. Total Operational Cash Receipts	-	-
	5. DIP Financing Proceeds	-	-
	6. Payroll & Benefits	-	(1,477,518)
	7. Retention Bonus	-	(198,288)
	8. Year-End Bonuses	-	(819,944)
	9. External R&D Spend	-	(5,112,825)
	10. Consultants - Internal	-	-
	11. Consultants - External	-	-
	12. Management Fee - ATVM	-	-
	13. Non-Debtor Portfolio Company Funding	-	-
	14. Rent, Maintenance & Utilities	-	(1,718,800)
	15. Bank fees	-	-
	16. Payroll Processing Fees	-	-
	17. Scientific Databases	-	-
	18. Insurance	-	-
	19. Internet, Communications, & Office Supplies	-	-
	20. PR and Marketing	-	-
	21. Travel and Meals	-	-
	22. Professional Fees - Non-Bankruptcy	-	-
	23. Professional Fees - Non-Legal	-	-
	24. Taxes	-	-
	25. Other	-	-
	26. Disbursements before Ch 11 Expenses	-	(9,327,376)
	27. Ch 11 Expenses		
	28. Professional Fees	-	-
	29. US Trustee Fees	-	-
	30. DIP Financing Interest	-	-
	31. Total Disbursements	-	(\$9,327,376)
	32. Net Activity:	-	(\$9,327,376)