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) (Jointly Administered) **Re: Docket Nos. 89 & 90**

LIMITED OBJECTION TO INTERIM RELIEF AND RESERVATION OF RIGHTS OF RIGMORA BIOTECH INVESTOR ONE LP AND RIGMORA BIOTECH INVESTOR TWO LP IN CONNECTION WITH THE DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS TO (I) MAKE AND ACCEPT SECURED LOANS TO PORTFOLIO COMPANIES, (II) AUTHORIZE TO THE EXTENT OUTSIDE OF THE ORDINARY COURSE OF BUSINESS PAYMENT OF MANAGEMENT COMPANY EXPENSES AND (III) GRANT RELATED RELIEF

Rigmora Biotech Investors One LP, by its general partner Unicorn Biotech Ventures One Ltd, and Rigmora Biotech Investors Two LP, by its general partner Unicorn Biotech Ventures Two Ltd (collectively, the "**LPs**") are limited partners of Debtor ATP Life Sciences Ventures, L.P. (the "**Partnership**"), a Cayman Islands exempted limited partnership, who have together contributed approximately ninety-eight percent (98%) of the Partnership's capital.[2]

Background

1. On December 23, 2025, the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") filed the *Debtors' Motion for Entry of Interim and Final Orders to*

[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] The terms of the corporate governance of the Partnership and the relationship between its partners are as provided by that certain Limited Partnership Agreement dated November 1, 2012 (as amended, supplemented, or modified from time to time in accordance with its terms, the "**LPA**"), which is governed by the law of the Cayman Islands and is expressly subject to the Cayman Islands Exempted Limited Partnerships Act.

(I) Make and Accept Secured Loans to Portfolio Companies, (II) Authorize to the Extent Outside of the Ordinary Course of Business payment of Management Company Expenses and (III) Grant Related Relief [Docket No. 89] (the "**Financing Motion**") and the accompanying declaration of Mr. Perry Mandarino in support thereof [Docket No. 90] (the "**Mandarino Declaration**").[3] The Debtors intend to seek approval of the relief requested on an interim basis at the hearing set for December 30, 2025, at 3:00 p.m. prevailing Eastern Time, *see* Docket No. 96, and then have requested January 20, 2026 as the date to hold a hearing to consider approval of the relief requested on a final basis.

Preliminary Statement

2. The LPs have no issue with what they understand to be much of the interim relief requested in the Financing Motion. To the extent the Debtors seek to use the "approximately $3 million" in interim relief to fund expenses that are truly ordinary-course continuations of the business operations that the Debtors and their affiliates have been engaged in during the months prior to filing these chapter 11 cases, such as payment of wages and benefits for rank-and-file employees, rents, and maintaining critical services and supplies, the LPs would consent to that relief, so long as they have a reasonable understanding of the proposed uses, and subject to a reservation of rights to raise objections relating to the proposed Final Order. But, the LPs would take issue if the Debtors seek to use emergency interim funding to change the status quo of the portfolio companies, such as restarting research operations that were mothballed prepetition, which would be wholly inconsistent with the applicable immediate and irreparable harm standard.

[3] Terms used but not defined herein shall have the meaning ascribed to them as in the Financing Motion. The Debtors filed petitions for relief on December 9, 2025 or December 15, 2025, as applicable. On December 17, 2025, the Debtors also filed a supplemental declaration in support of first day relief, attached to which was a budget and 13-week cashflow forecast [Docket No. 63-1] (the "**December 17 Cashflow Forecast**").

3. Professionals for the LPs conferred with the Debtors' professionals on the afternoon of December 29, 2025 in an effort to better understand the proposed uses of the interim funding and therefore narrow the potential issues for the December 30 hearing. Following that conversation, in response to the numerous questions of the LPs, the Debtors' professionals undertook to provide an updated spreadsheet of expenses, which was provided the evening of December 29 and which now seeks interim funding authorization for approximately $3.38 million, which is more than the "approximately $3 million" sought in the Financing Motion.

4. While some progress has been made in terms of understanding the Debtors' funding request and narrowing the issues between the parties, at this time, the LPs still have significant concerns about the budgeted amounts, many of which lack appropriate detail or do not seem necessary to be paid in the interim period. Further, the LPs are mystified by the Debtors' budgeting process, as multiple different budgets have been provided with little explanation as to the discrepancies between them. Finally, the LPs do not agree that certain of the proposed expenses should be funded from the Debtors' cash on hand (which derives from receipts that should have been distributed to the LPs months ago) rather than capital calls that are available and allocated for budgeted amounts, and overall will require any interim order to include appropriate protections and reservations of rights such that the source, allocation, and characterization of the funding, and the proposal to allocate funds not in accordance with LP-approved budgets in contravention of the LPA, can be appropriately addressed at the final hearing on the Financing Motion.[4]

5. The Debtors' professionals have indicated that they are available to speak in the late morning directly before the December 30 hearing, and the LPs will take them up on that offer in a

[4] The Debtors' professionals have stated their willingness to discuss such a reservation of rights.

good-faith effort to further narrow or resolve their questions about the proposed interim funding. At this time, however, the Debtors have not provided reasonable detail to support the interim relief, leaving open serious doubts about the extent to which the proposed spending is truly necessary to avoid immediate and irreparable harm. Given that no further discussions can occur until shortly before the scheduled hearing on interim relief, the LPs have no choice but to file this limited objection and reservation of rights.

6. In filing this limited objection to interim relief, in connection with any relief sought with the Financing Motion, the Mandarino Declaration (and any other evidence), these chapter 11 cases, or otherwise, the LPs reserve all rights and waive none, including that the LPs reserve the right to file a further objection to any relief requested in the Financing Motion in advance of the hearing to consider granting that relief on a final basis. In addition, any order entered granting the relief requested on an interim basis should expressly include language to reserve the right of the LPs to raise arguments that the proposed funding source, cash on hand, rather than funds from capital calls, is improper and in contravention of the Bankruptcy Code and the terms of the LPA. The LPs remain willing to have good-faith discussions with the Debtors regarding a reasonable, consensual agreement or form of interim order that would permit limited funding of certain expenses on an emergency basis, pending a full hearing to consider the relief requested and any objections thereto.

Limited Objection to Interim Relief and Reservation of Rights

I. The Financing Motion Fails to Satisfy the "Immediate and Irreparable Harm" Standard Because There is Insufficient Detail on the Expenses to be Paid in the Interim Relief.

7. Rule 6003 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") provides that a court must not grant a motion to use estate property within twenty-one days of the

petition date "[u]nless relief is needed to avoid immediate and irreparable harm[.]" Fed. R. Bankr. P. 6003. Relatedly, rule 4001 of the Bankruptcy Rules provides that a court may, after a preliminary hearing, authorize the use of cash collateral or obtaining credit "only to the extent necessary to avoid immediate and irreparable harm to the estate" pending a final hearing. Fed. R. Bankr. P. 4001(b)(2) and (c)(2); *accord* rule 4001-2(b) of the Local Rules of the United States Bankruptcy Court for the District of Delaware. The committee notes for Bankruptcy Rule 6003 reflect an intent to alleviate time pressures early on in a bankruptcy case given the "substantial amounts of materials for the court and parties in interest to review and evaluate."

8. But, in connection with Financing Motion, the Debtors do not present any substantial amounts of materials to review and evaluate, nor evidence sufficient to satisfy the Debtors' burden to prove that the proposed interim funding is needed to avoid "immediate and irreparable harm" to the estates. Instead, the amount of the interim relief is not adequately described in the Debtors' papers and is unsupported by the Debtors' December 17 Cashflow Forecast (and subsequent budgets received from the Debtors to date), and the Mandarino Declaration does not address the applicable legal standard.[5] After the Financing Motion was filed, the LPs received limited and erroneous productions that only raised additional questions and resulted in a forty-five-minute meet and confer involving over a dozen professionals to discuss what was later conceded to be the wrong budget.

9. The Financing Motion does not describe in sufficient detail the "approximately $3 million" in expenses to be paid before the requested January 20, 2026 final hearing. Although the Financing Motion allocates approximately $580,000 in "Interim Amount" funding across certain

[5] Parties in interest in this case cannot review other filings to glean appropriate detail, such as a traditional critical vendor motion or motion in the style of "customer" programs, because a full suite of traditional first day motions was not yet filed in these chapter 11 cases.

Debtor and non-Debtor portfolio companies, *see* Financing Motion, at pp. 4–7, and identifies other payments as having to be made by year end, *id.* ¶ 17, nowhere does it describe what other expenses fall within the balance of "approximately $3 million" covered by the proposed Interim Order, much less make the case that the unparticularized expenditures are ***all*** necessary to avoid immediate and irreparable harm. The Mandarino Declaraion, reciting the same numbers as in the motion, raises the same issue. *See* Mandarino Declaraion, at pp. 4–7. Parties in interest and this Court should not need to guess or invent the logic for the Debtors. The fact that the Debtors' professionals provided two alternative versions of backup for the proposed spending, the second of which totals to more than $3 million and was provided only the night before the interim hearing, contributes to the confusion. While the LPs appreciate the Debtors' willingness to engage in a meet and confer session on the day before the hearing, and the follow-up information that has been provided and may further be provided in response to that discussion, that new information has simply come too late to answer the LPs' questions and avoid the need for this limited objection.

10. As previously stated, to the extent the Debtors seek to fund expenses not in excess of $3 million that are truly ordinary course and preserve the status quo for the Debtors and their affiliates over the months prior to filing petitions, such as payment of wages and benefits for rank-and-file employees, rents, and maintaining critical services and supplies, the LPs have no issue with that relief, so long as the LPs have a reasonable understanding of the proposed uses. Overall, though, the Debtors have not shown what is included in the interim relief sought and, therefore, cannot satisfy their burden to show what of the approximately $3 million is necessary to avoid irreparable harm to the estates. Accordingly, the interim relief should be denied.

WHEREFORE, for the reasons set forth herein, the LPs respectfully request the Court deny the Financing Motion to the extent consistent herewith or, if the court is inclined to grant the interim relief requested, enter an order with language reserving the rights of the LPs consistent herewith, and grant such other and further relief as is just and proper.

Dated: December 30, 2025
Wilmington, Delaware

Respectfully Submitted,

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