

UNITED STATES BANKRUPTCY COURT

DISTRICT OF Delaware

In Re. Forrest Machining LLC

§
§
§
§

Debtor(s)

Case No. 25-10294

Lead Case No. 25-10292

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 07/31/2025

Petition Date: 02/26/2025

Months Pending: 5

Industry Classification:

3	3	6	4
---	---	---	---

Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

183

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☒ Schedule of payments to professionals
- ☒ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Mark L. Desgrosseilliers

Signature of Responsible Party

08/26/2025

Date

Mark L. Desgrosseilliers

Printed Name of Responsible Party

Chipman Brown Cicero & Cole LLP

1313 N. Market Street, Suite 5400

Wilmington, DE 19801

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore 1320.4(a)(2) applies.



25102922508260000000000003

Debtor's Name Forrest Machining LLC

Case No. 25-10294

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$1,660,506	
b. Total receipts (net of transfers between accounts)	\$149,406	\$16,826,861
c. Total disbursements (net of transfers between accounts)	\$36,591	\$18,076,417
d. Cash balance end of month (a+b-c)	\$1,773,321	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$36,591	\$18,076,417

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input checked="" type="radio"/> Market <input type="radio"/> Other <input type="radio"/> (attach explanation))	\$0
d. Total current assets	\$1,812,631
e. Total assets	\$1,812,631
f. Postpetition payables (excluding taxes)	\$0
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$0
k. Prepetition secured debt	\$42,624,000
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$15,750
n. Total liabilities (debt) (j+k+l+m)	\$42,639,750
o. Ending equity/net worth (e-n)	\$-40,827,119

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$16,071,636
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$13,319,708
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$2,751,928

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$3,031	
f. Other expenses	\$96,505	
g. Depreciation and/or amortization (not included in 4b)	\$0	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$-99,536	\$-7,476,060

Debtor's Name Forrest Machining LLC

Case No. 25-10294

Part 5: Professional Fees and Expenses

a.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$33,560	\$2,229,477	\$33,560	\$2,229,477
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	Ropes & Gray LLP	Co-Counsel	\$0	\$0	\$0	\$0
ii	Chipman Brown Cicero & Cole	Co-Counsel	\$0	\$231,692	\$0	\$231,692
iii	Configure Partners	Financial Professional	\$0	\$1,185,804	\$0	\$1,185,804
iv	Berkeley Research Group	Financial Professional	\$0	\$528,719	\$0	\$528,719
v	Kurtzman Carson Consultants,	Other	\$33,560	\$283,261	\$33,560	\$283,261
vi						
vii						
viii						
ix						
x						
xi						
xii						
xiii						
xiv						
xv						
xvi						
xvii						
xviii						
xix						
xx						
xxi						
xxii						
xxiii						
xxiv						
xxv						
xxvi						
xxvii						
xxviii						
xxix						
xxx						
xxxi						
xxxii						
xxxiii						
xxxiv						
xxxv						
xxxvi						

Debtor's Name Forrest Machining LLC

Case No. 25-10294

xxxvii						
xxxvii						
xxxix						
xl						
xli						
xlII						
xlIII						
xliv						
xlV						
xlvi						
xlVII						
xlVIII						
xlIX						
l						
li						
lii						
liii						
liv						
lv						
lvi						
lvii						
lviii						
lix						
lx						
lxi						
lxii						
lxiii						
lxiv						
lxv						
lxvi						
lxvii						
lxviii						
lxix						
lxx						
lxxi						
lxxii						
lxxiii						
lxxiv						
lxxv						
lxxvi						
lxxvii						
lxxviii						

Debtor's Name Forrest Machining LLC

Case No. 25-10294

lxxix						
lxxx						
lxxxi						
lxxxii						
lxxxiii						
lxxxiv						
lxxxv						
lxxxvi						
lxxxvi						
lxxxvi						
lxxxix						
xc						
xc						
xcii						
xciii						
xciv						
xcv						
xcvi						
xcvii						
xcviii						
xcix						
c						
ci						

b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$3,031	\$73,976	\$3,031	\$73,976
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	Hackler Flynn & Associates	Other	\$3,031	\$41,037	\$3,031	\$41,037
ii	Environmental Law Group LLP	Other	\$0	\$15,954	\$0	\$15,954
iii	Hedman Partners LLP	Financial Professional	\$0	\$16,984	\$0	\$16,984
iv						
v						
vi						
vii						
viii						
ix						
x						
xi						
xii						
xiii						
xiv						

Debtor's Name Forrest Machining LLC

Case No. 25-10294

xv						
xvi						
xvii						
xviii						
xix						
xx						
xxi						
xxii						
xxiii						
xxiv						
xxv						
xxvi						
xxvii						
xxviii						
xxix						
xxx						
xxxi						
xxxii						
xxxiii						
xxxiv						
xxxv						
xxxvi						
xxxvii						
xxxviii						
xxxix						
xl						
xli						
xlii						
xliii						
xliv						
xlv						
xlvi						
xlvii						
xlviii						
xliv						
l						
li						
lii						
liii						
liv						
lv						
lvi						

Debtor's Name Forrest Machining LLC

Case No. 25-10294

	xcix						
	c						
c.	All professional fees and expenses (debtor & committees)			\$36,591	\$2,303,452	\$36,591	\$2,303,452

Part 6: Postpetition Taxes**Current Month****Cumulative**

a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$0	\$529,954
d.	Postpetition employer payroll taxes paid	\$0	\$529,954
e.	Postpetition property taxes paid	\$0	\$254,394
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$14,370
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$14,370

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☒ No ☐ N/A ☐
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☐ No ☒
- k. Has a disclosure statement been filed with the court? Yes ☐ No ☒
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Debtor's Name Forrest Machining LLC

Case No. 25-10294

Part 8: Individual Chapter 11 Debtors (Only)

- | | | | |
|----|---|-------|-----|
| a. | Gross income (receipts) from salary and wages | _____ | \$0 |
| b. | Gross income (receipts) from self-employment | _____ | \$0 |
| c. | Gross income from all other sources | _____ | \$0 |
| d. | Total income in the reporting period (a+b+c) | _____ | \$0 |
| e. | Payroll deductions | _____ | \$0 |
| f. | Self-employment related expenses | _____ | \$0 |
| g. | Living expenses | _____ | \$0 |
| h. | All other expenses | _____ | \$0 |
| i. | Total expenses in the reporting period (e+f+g+h) | _____ | \$0 |
| j. | Difference between total income and total expenses (d-i) | _____ | \$0 |
| k. | List the total amount of all postpetition debts that are past due | _____ | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes ☐ No ☒
- m. If yes, have you made all Domestic Support Obligation payments? Yes ☐ No ☐ N/A ☒

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/ao/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ James Carroll

Signature of Responsible Party

Chief Restructuring Officer

Title

James Carroll

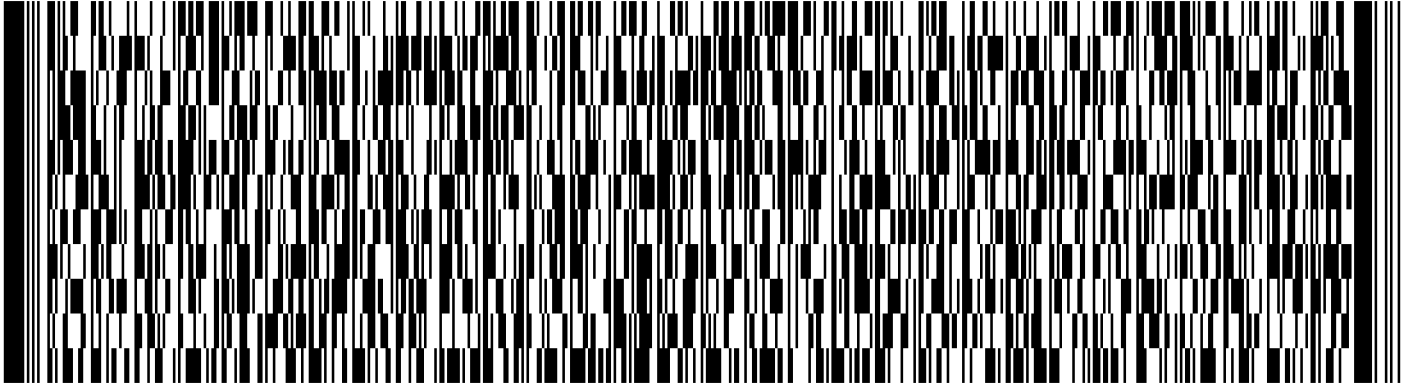
Printed Name of Responsible Party

08/26/2025

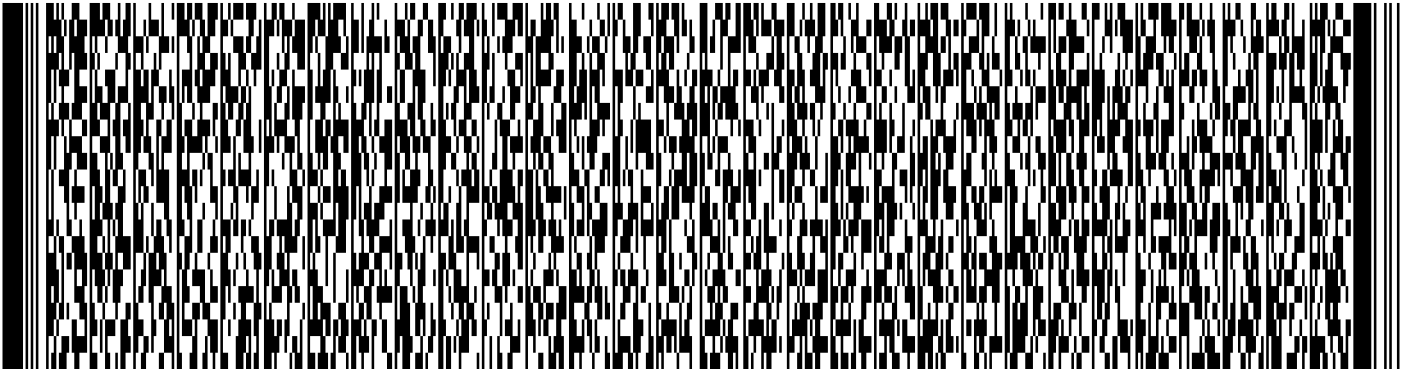
Date

Debtor's Name Forrest Machining LLC

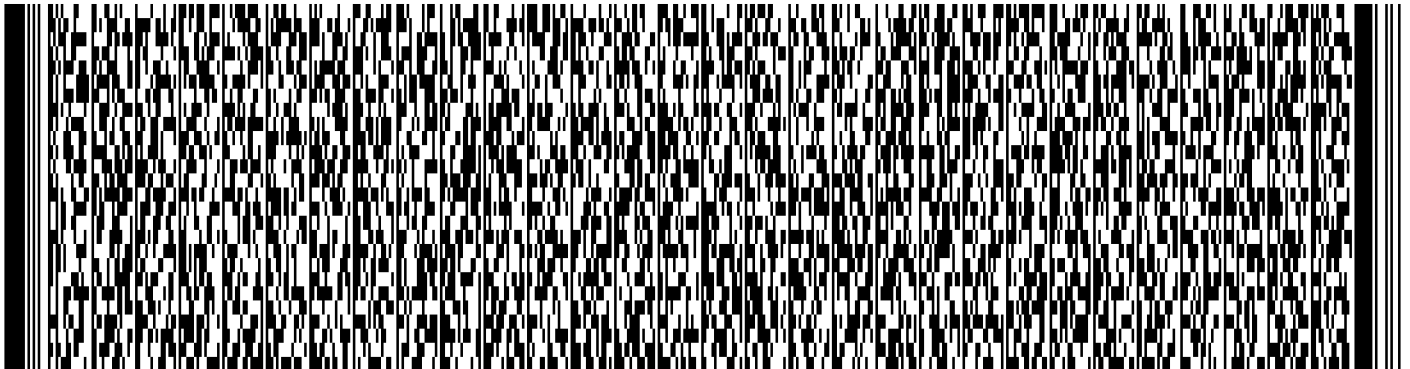
Case No. 25-10294



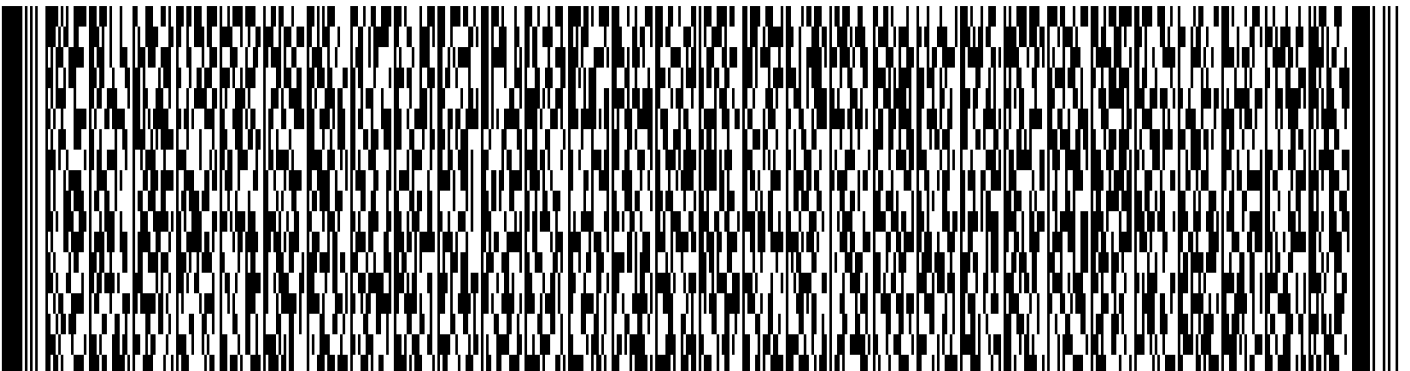
PageOnePartOne



PageOnePartTwo



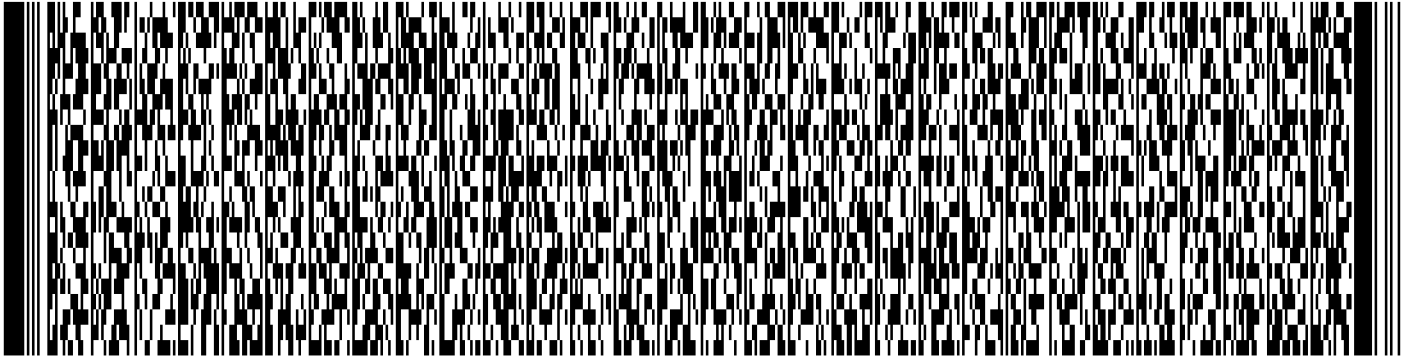
PageTwoPartOne



PageTwoPartTwo

Debtor's Name Forrest Machining LLC

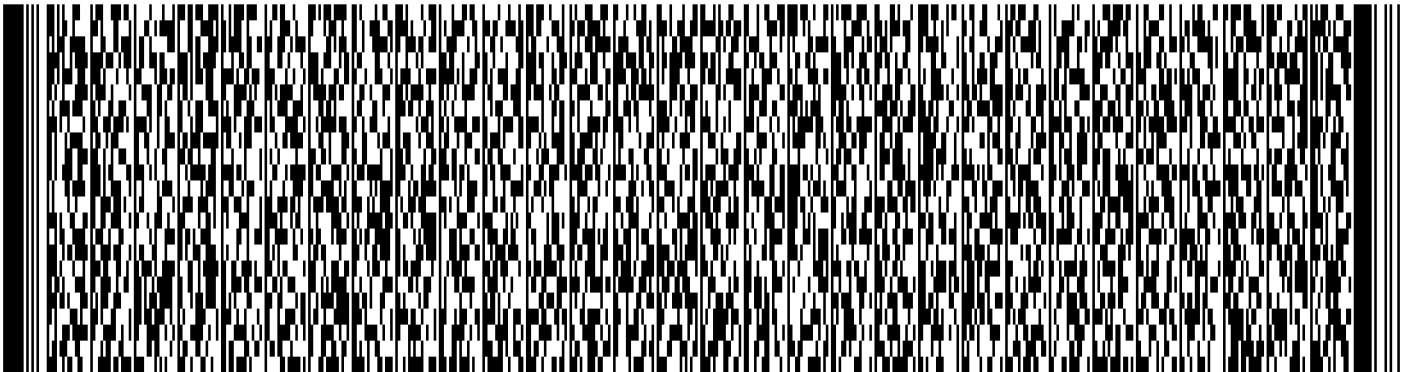
Case No. 25-10294



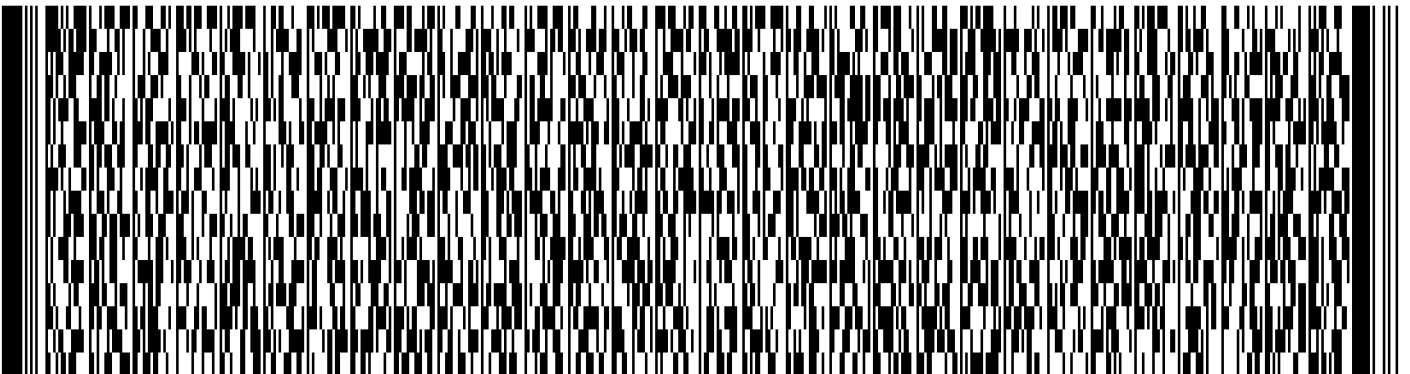
Bankruptcy1to50



Bankruptcy51to100



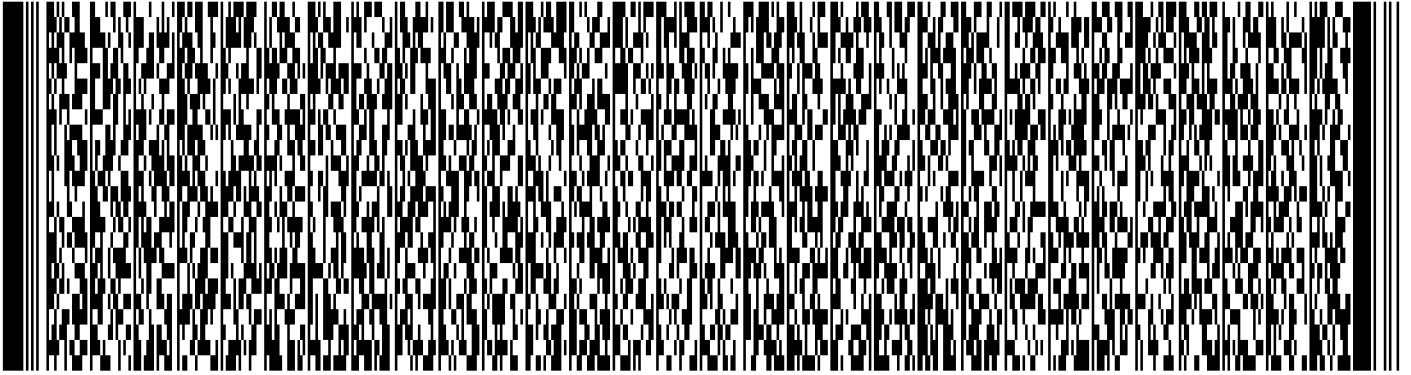
NonBankruptcy1to50



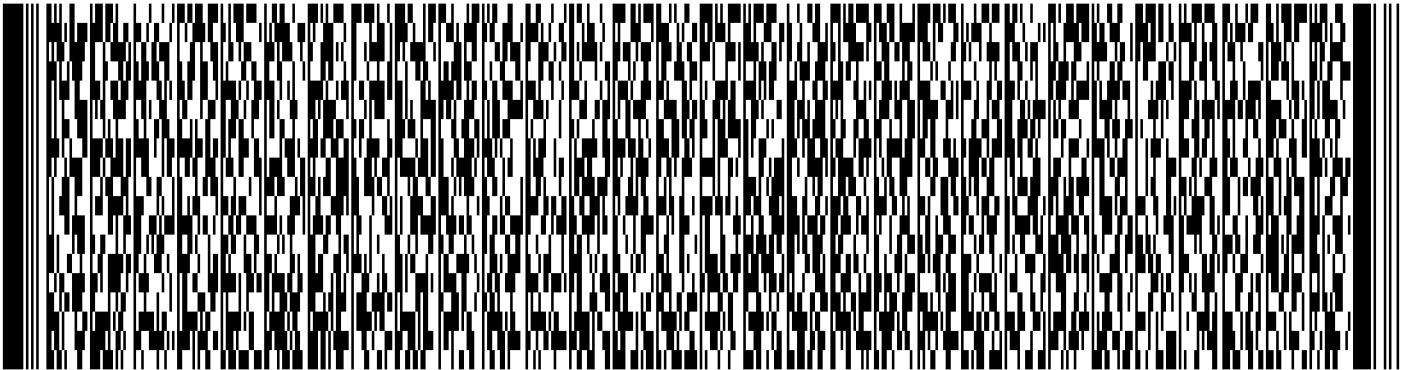
NonBankruptcy51to100

Debtor's Name Forrest Machining LLC

Case No. 25-10294



PageThree



PageFour

PART 1
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Debtor name:	Forrest Machining LLC
Case number:	25-10294
Line Item	Current Period
CASH BEGINNING OF MONTH	1,660,506
RECEIPTS	
Cash Receipts	-
DIP Receipts	-
Other Receipts	149,406
TOTAL RECEIPTS	149,406
DISBURSEMENTS	
Payroll & Employee Benefits	-
Interest Payments - DIP Financing	-
Restructuring & Bankruptcy Professional Fees	33,560
Critical Vendor Payments	-
Other Disbursements	3,031
TOTAL DISBURSEMENTS	36,591
NET CASH FLOW	
(RECEIPTS LESS DISBURSEMENTS)	112,814
CASH - END OF MONTH	1,773,321

PART 2
BALANCE SHEET (UNAUDITED)

Debtor name:	Forrest Machining LLC
Case number:	25-10294
Line Item	Current Period
ASSETS	
Cash	1,806,881
Accounts Receivable, net	-
Inventory, net	-
Critical Spares	-
Prepaid Expenses and Other Current Assets	5,750
TOTAL CURRENT ASSETS	1,812,631
PP&E, net	-
Intangible Assets, net	-
Other Assets	-
TOTAL ASSETS	1,812,631
LIABILITIES AND EQUITY	
Accounts Payable	-
Current Portion Long Term Debt	30,124,000
Current Portion Long Term Debt - DIP	-
Interest Payable	-
Capital Lease Liabilities - Short Term	-
Other Current Liabilities	-
TOTAL CURRENT LIABILITIES	30,124,000
Line of Credit	12,500,000
Capital Lease Liabilities - Long Term	-
Bank Loan Liabilities - Long Term	-
Other Long-term liabilities	15,750
TOTAL LIABILITIES	42,639,750
TOTAL EQUITY	(40,827,119)
TOTAL LIABILITIES & EQUITY	1,812,631

PART 3
STATEMENT OF OPERATIONS (UNAUDITED)

Debtor name:	Forrest Machining LLC
Case number:	25-10294
Line Item	Current Period
REVENUES	
Shipments Revenue	-
Other Revenue	-
TOTAL REVENUES	-
EXPENSES	
Cost of Goods Sold	-
Selling, General & Administrative	(3,031)
TOTAL EXPENSES	(3,031)
INCOME (LOSS) BEFORE OTHER INCOME (LOSS)	(3,031)
OTHER INCOME (LOSS)	
Interest Income (Expense)	-
Taxes	-
Other Income (Expense)	(96,505)
TOTAL OTHER INCOME (LOSS)	(96,505)
NET INCOME (LOSS)	(99,536)

SCHEDULE OF PROFESSIONAL FEE PAYMENTS

Debtor name:			Forrest Machining LLC
Case number:			25-10294
Name of Professional	Role	Date of Retention	Amount approved by Court
Kurtzman Carson Consultants, LLC	Claims Agent	2/26/2025	33,560
Configure Partners	Investment Bank	2/26/2025	-
Chipman Brown Cicero & Cole, LLP	Co-Counsel	2/26/2025	-
Berkeley Research Group	Financial Advisor	2/26/2025	-
TOTAL PROFESSIONAL PAYMENTS			33,560

SCHEDULE OF ORDINARY COURSE PROFESSIONAL PAYMENTS

Debtor name:		Forrest Machining LLC
Case number:		25-10294
Vendor	Description of Services	July Payments
Hackler Flynn & Associates	Employment Legal Services	3,031
Hedman Partners LLP	Tax and Audit Services	-
Environmental Law Group LLP	Environmental Legal Services	-
TOTAL OCP PAYMENTS		3,031

SCHEDULE OF PAYMENTS MADE TO INSIDERS

Debtor name:		Forrest Machining LLC						
Case number:		25-10294						
Name of Insider	Current Title	February Payments	March Payments	April Payments	May Payments	June Payments	July Payments	Cumulative Payments
Eric Ellis	President & CEO	-	49,200	36,082	-	-	-	85,282
Mcdermott & Bull	Executive search firm that placed CFO S. Finley into the position	-	37,125	24,750	-	-	-	61,875
Keith Shively	General Manager	-	20,600	15,000	-	-	-	35,600
LMC Consulting	Chairman of the Board of Directors Mike Zawalski's Firm	-	12,500	6,250	-	-	-	18,750
Steve Finley	CFO - independent contractor	-	2,598	1,293	-	-	-	3,891
TOTAL		-	122,023	83,375	-	-	-	205,398

BANK ACCOUNTS

Debtor name:			Forrest Machining LLC	
Case number:			25-10294	
Bank name	Account type	Account number (last four digits)	Period-end bank balance	Currency
BMO Harris Bank N.A.	Corporate Checking	5755	1,806,881	USD
Bank of America Corporation	Business Checking	3082	-	USD
TOTAL BANK BALANCE			1,806,881	USD

Debtor
Forrest Machining LLC

Case Number
25-10294

General Notes to the MOR:

On February 26, 2025 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their properties as Debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On February 27, 2025, the court entered an order [Docket No. 50] authorizing joint administration and procedural consolidation of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). On March 11, 2025, the United States Trustee for the District of Delaware (the “U.S. Trustee”) released a statement that an Official Committee of Unsecured Creditors (the “Creditors Committee”) has not been appointed [Docket No. 99].

The Debtors are filing their Monthly Operating Report solely for the purposes of complying with the monthly operating reporting requirements applicable in the Debtors' chapter 11 cases. The financial and supplemental information contained herein is presented on a preliminary and unaudited basis, remains subject to future adjustments and may not comply in all material respects with generally accepted accounting principles in the United States of America (“U.S. GAAP”) or International Financial Reporting Standards (“IFRS”). This Monthly Operating Report should not be relied on by any persons for information relating to future financial conditions, events, or performance of any of the Debtors or their affiliates.

The financial information has been derived from the books and records of the Debtors. This information, however, has not been subject to certain procedures that would typically be applied to financial information in accordance with U.S. GAAP or IFRS, and upon application of such procedures, the Debtors believe that the financial information could be subject to changes, which could be material. The information furnished in this report includes primarily normal recurring adjustments, but does not include all adjustments that would typically be made for financial statements prepared in accordance with U.S. GAAP or IFRS. The preparation of the Financial Statements and MOR required the Debtors to make commercially reasonable estimates and assumptions with respect to the reported amounts of assets and liabilities, the amount of contingent assets and contingent liabilities at month end, and the reported amounts of revenues and expenses during the applicable reporting periods. Actual results could differ from such estimates.

The Debtors reserve all rights to amend or supplement this Monthly Operating Report in all respects, as may be necessary or appropriate. Nothing contained in this Monthly Operating Report shall constitute a waiver of any of the Debtors' rights or an admission with respect to their chapter 11 cases.

Notes to MOR Part 1:

The Debtors operate two corporate checking accounts. Throughout the month of July 2025, the Debtors collected a \$149,406 refund for Southern California Edison Company’s portion of the utility deposit. The Debtors paid approved professional fees and legal fees related to prepetition employment matters in the ordinary course of business.

Beginning of the July 2025 month cash of \$1,660,506 reflects the end of month June 2025 cash per the balance sheet, which does not reflect any adjustments made to disbursements for purposes of the June 2025 UST fee calculation, as noted in the Notes to MOR Part 1 for the Forrest Machining

LLC June 2025 MOR, which described how professional fees were paid from previously-deposited escrow account funds and were included in total disbursements (line C).

In the month of July 2025, the Debtors did not make any deposits into professional fees escrow accounts, but \$33,560 was paid in July 2025 collectively to the Debtors' professionals from the professional fees escrow account. For purposes of the U.S. Trustee fee calculation, \$33,560 has been reflected as a July 2025 cash outflow which will be included in the U.S. Trustee fee for the period of the third quarter of 2025.

Future cash disbursements to the Debtors' professionals based on the respective Debtors' professional fee applications and Court approval thereof will be paid out of the professional fee escrow account and at that time will be included as a disbursement in line C of future filed Monthly Operating Reports.

As a result, the reported end of month cash balance (line D) of \$1,773,321 does not equal the Debtors' July 2025 balance sheet cash of \$1,806,881 as reflected in the bank accounts supporting schedules.

Notes to MOR Part 2 and MOR Part 4:

The information contained in MOR Part 2 and MOR Part 4 is provided to fulfill the requirements of the Office of the United States Trustee. All information contained in MOR Part 2 and MOR Part 4 is unaudited and subject to future adjustment.

The Debtors' balance sheet reported \$1,806,881 of total cash at month end. This figure differs from the end of month cash balance (line D) of \$1,773,321 reported in part 1 as described above.

Notes to MOR Part 5:

Pursuant to the Debtors' Final DIP financing order [Docket No. 149], budgeted fees and expenses for the Debtors' bankruptcy professionals have been placed into an escrow account. In July 2025, the Debtors made three payments to retained bankruptcy professionals in the aggregate amount of \$33,560 to Kurtzman Carson Consultants, LLC from the professional fees escrow account.

These payments were included in the approved DIP financing budget provided in the Debtors' Final DIP financing order [Docket No. 149]. Subsequent fees and expenses of the Debtors' bankruptcy professionals will be reflected in MOR Part 5.a. and Part 5.c. upon approval and payment thereof from the professional fee escrow account.

Notes to MOR Part 6:

The Debtors have received approval to pay prepetition tax and fee obligations, including, without limitation, sales, use, franchise, property, and income taxes as well as other governmental taxes, fees, and assessment due in the normal course of business through certain First Day Motions. As such, the applicable taxes had been paid when due except for amounts that are in dispute, if any.

Notes to Bank Accounts Supporting Schedule:

The Debtors' two corporate checking accounts held \$1,806,881 of total cash at month end. The total cash at month end in this schedule differs from the end of month cash balance (line D) of \$1,773,321 reported in part 1 as described above.