IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: Pacifica of the Valley Corporation,[1] Debtor.	Chapter 11 Case No. 26-11060 (TMH) **Re: Docket Nos. 13, 57**

NOTICE REGARDING AMENDED BUDGET AND EXTENSION OF INTERIM ORDER (I) AUTHORIZING THE DEBTOR TO (A) USE CASH COLLATERAL AND (B) GRANT LIENS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS; (II) GRANTING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES (III) SCHEDULING A FINAL HEARING; AND (IV) GRANTING RELATED RELIEF

The undersigned proposed counsel for the above-captioned debtor and debtor in possession (the "Debtor") hereby provides notice that:

1. On July 7, 2026, the Debtor filed the *Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Use Cash Collateral and (B) Grant Liens and Superpriority Administrative Claims; (II) Granting Adequate Protection to Prepetition Secured Parties; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* (the "Motion") [Docket No. 13].[2]

2. On July 9, 2026, the Court entered the *Interim Order (I) Authorizing The Debtor To (A) Use Cash Collateral And (B) Grant Liens And Superpriority Administrative Expense Claims; (II) Granting Adequate Protection To Prepetition Secured Parties (III) Scheduling A Final Hearing; And (Iv) Granting Related Relief* (the "Interim Cash Collateral Order") [Docket No. 57].

[1] The Debtor in this Chapter 11 Case, along with the last four digits of the Debtor's federal tax identification number, is 7312. The Debtor's mailing address is 9449 San Fernando Road, Sun Valley, CA 91352.

2 All Capitalized terms not otherwise defined herein are ascribed the meaning give in the Motion or the Interim Cash Collateral Order, as applicable.

3. Pursuant to Section 3 of the Interim Cash Collateral Order, the Debtor is authorized to use Cash Collateral in accordance with the Budget through the Expiration Date of July 24, 2026. Section 3 further provides that the Budget and the Expiration Date may be amended or extended with the consent of the Prepetition Secured Parties.

4. Since entry of the Interim Cash Collateral Order, the Debtor has continued discussions with the Prepetition Secured Parties, each of which has consented to extend the Debtor's use of Cash Collateral through and including August 8, 2026, in accordance with the amended budget attached hereto as **Exhibit A**, each of which shall constitute the "Expiration Date" and the "Budget", respectively, for all purposes under the Interim Cash Collateral Order.

5. All other provisions and terms of the Interim Cash Collateral Order shall remain in full force and effect.

6. The Committee of Unsecured Creditors (the "Committee") was recently appointed in these cases and is continuing its review of the Budget. The Debtor has been engaging constructively with the Committee and will continue to work cooperatively to address any questions or concerns it may raise.

Dated: July 21, 2026

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Proposed Counsel to Debtor and Debtor in Possession

EXHIBIT A

Pacifica of the Valley Corporation
5-Week Cash Flow Forecast

Week #	1	2	3	4	5	5 Week
Week Ending	7/11/26	7/18/26	7/25/26	8/1/26	8/8/26	Total
Actual / Forecast	Actual	Actual	Forecast	Forecast	Forecast	Forecast
I. Receipts						
1.) Government	$ 986,906	$ 1,538,960	$ 64,216	$ 273,681	$ 198,681	$ 3,062,445
2.) Non-Government	262,481	165,106	335,343	145,282	145,282	1,053,494
3.) Sale to LACare of QAF	-	-	-	5,000,000	-	5,000,000
4.) DSH	-	-	-	-	-	-
5.) LACare	414,453	39,436	387,764	221,215	221,215	1,284,082
6.) Other	91,052	66,452	106,855	1,111,501	705,985	2,081,846
7.) **Total Receipts**	**$ 1,754,892**	**$ 1,809,954**	**$ 894,179**	**$ 6,751,680**	**$ 1,271,163**	**$ 12,481,867**
II. Operating Disbursements						
8.) Payroll	$ 1,318,377	$ 919,091	$ 963,763	$ 714,605	$ 759,763	$ 4,675,600
9.) Payroll Taxes	-	38,348	206,674	411,445	245,022	901,488
10.) Benefits	3,867	265	8,779	447,495	279,976	740,382
11.) Rent	-	-	-	630,478	-	630,478
12.) Supplies	31,512	29,658	97,477	49,000	49,000	256,646
13.) Pharmaceuticals	3,551	4,194	11,464	10,000	10,000	39,208
14.) Purchased Services	35,000	8,623	72,342	24,000	47,500	187,465
15.) Repairs and Maintenance	-	-	1,675	10,000	17,000	28,675
16.) Utilities	-	-	80,091	-	9,700	89,791
17.) Insurance	-	-	40,812	223,322	109,350	373,484
18.) QAF Fees	-	-	-	-	-	-
19.) Medical Professional Fees	-	-	118,000	67,675	67,675	253,350
20.) Other	10,595	5,736	-	-	-	16,331
21.) **Total Operating Disbursements**	**$ 1,402,902**	**$ 1,005,914**	**$ 1,601,077**	**$ 2,588,020**	**$ 1,594,986**	**$ 8,192,899**
22.) **Net Operating Cash Flow**	**$ 351,990**	**$ 804,040**	**$ (706,899)**	**$ 4,163,660**	**$ (323,822)**	**$ 4,288,968**
III. Non-Operating Disbursements						
23.) Professional Fees	$ -	$ -	$ -	$ -	$ 840,000	$ 840,000
24.) UST Fees	-	-	-	-	-	-
25.) CapEx	-	-	248,677	-	800	249,477
26.) Other Non-Recurring	-	-	-	-	-	-
27.) **Total Non-Operating Disbursements**	**$ -**	**$ -**	**$ 248,677**	**$ -**	**$ 840,800**	**$ 1,089,477**
28.) **Net Cash Flow**	**$ 351,990**	**$ 804,040**	**$ (955,576)**	**$ 4,163,660**	**$ (1,164,622)**	**$ 3,199,491**
VI. Liquidity Summary						
29.) Beginning Cash Balance	$ 240,798	$ 592,787	$ 1,396,827	$ 441,252	$ 4,604,911	$ 240,798
30.) Net Cash Flow	351,990	804,040	(955,576)	4,163,660	(1,164,622)	3,199,491
31.) **Ending Cash Balance**	**$ 592,787**	**$ 1,396,827**	**$ 441,252**	**$ 4,604,911**	**$ 3,440,289**	**$ 3,440,289**