

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

In re:

VIRIDOS, INC.,¹

Debtor.

Chapter 11

Case No. 25-10697 (CTG)

Docket Nos. 37 & 95

**NOTICE OF SALE BY AUCTION, SALE HEARING,
AND DESIGNATION OF STALKING HORSE BIDDER**

PLEASE TAKE NOTICE that on April 17, 2025, the above-captioned debtor and debtor in possession (the “Debtor”) filed the *Debtor’s Motion for Entry of an Order (I) Approving the Bidding Procedures in Connection With the Sale of Substantially All of the Debtor’s Assets, (II) Scheduling an Auction and a Sale Hearing, (III) Approving the Form and Manner of Notice Thereof, (IV) Authorizing the Debtor to Enter into the Stalking Horse Agreement, (V) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (VI) Granting Related Relief* [Docket No. 37] (the “Motion”)² with the United States Bankruptcy Court for the District of Delaware (the “Court”) seeking, among other things, entry of an order (the “Sale Order”) authorizing and approving: (a) the sale of substantially all of the Debtor’s assets (the “Assets”) free and clear of liens, claims, encumbrances, and other interests, with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the sale proceeds, subject to higher or otherwise better offers (the “Sale”); and (b) authorizing the assumption and assignment of executory contracts and unexpired leases (collectively, the “Assumed Contracts”). Please note that all capitalized terms used but not defined herein shall have the meanings set forth in the Motion.

PLEASE TAKE FURTHER NOTICE that the Debtor is soliciting offers for the purchase of the Debtor’s Assets consistent with the Bidding Procedures (the “Bidding Procedures”) approved by the Court by entry of an order May 8, 2025 [Docket No. 95] (the “Bidding Procedures Order”). **All interested bidders should carefully read the Bidding Procedures and Bidding Procedures Order.** To the extent that there are any inconsistencies between this notice and the Bidding Procedures or Bidding Procedures Order, the Bidding Procedures or Bidding Procedures Order, as applicable, shall govern in all respects.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bid Procedures Order, Breakthrough Energy Ventures II, L.P. (“BEV”) has been designated as the Stalking Horse Bidder pursuant to the Stalking Horse Agreement, dated as of April 17, 2025 (the “Stalking Horse Agreement”).

¹ The Debtor in this Chapter 11 Case and the last four digits of its U.S. taxpayer identification number is: Viridos, Inc. (3940). The Debtor’s corporate headquarters is located at: 11149 N. Torrey Pines Road, La Jolla, CA 92037.

² Capitalized terms not otherwise defined herein shall have the same meaning as in the Motion.

PLEASE TAKE FURTHER NOTICE that the Stalking Horse Agreement seeks approval of the sale of substantially all of Debtor’s Assets to BEV, for a credit bid of up to \$6,500,000.00 in principal outstanding under the DIP Facility and the Prepetition Secured Note plus all interest, fees and expenses due thereunder constituting Prepetition Loan Obligations or DIP Obligations pursuant to Section 363(k) of the Bankruptcy Code, plus the assumption of certain liabilities (the “Stalking Horse Bid”).

PLEASE TAKE FURTHER NOTICE that, consistent with Local Rule 6004-1(b), the Debtor discloses the following terms regarding the Stalking Horse Agreement:

MATERIAL TERMS OF THE STALKING HORSE AGREEMENT	
Seller	Viridos, Inc.
Buyer	Breakthrough Energy Ventures II, L.P. or its designee
Purchase Price	(a) A credit bid by the Purchaser of up to \$6,500,000.00 in principal outstanding under the DIP Facility and the Prepetition Secured Note plus all interest, fees and expenses due thereunder constituting Prepetition Loan Obligations or DIP Obligations pursuant to Section 363(k) of the Bankruptcy Code; and (b) The assumption by Purchaser of the Assumed Liabilities, including cure costs.
Purchased Assets	The Stalking Horse Bidder is purchasing the Purchased Assets set forth on Schedule 1 to the Stalking Horse Agreement
Sale to Insider Local Rule 6004-1(b)(iv)(A)	The Stalking Horse Bidder is an “insider” of the Debtor as defined in Section 101(31) of the Bankruptcy Code.
Agreements With Management Local Rule 6004-1(b)(iv)(B)	No agreements exist between management and the buyer.
Releases Local Rule 6004- 1(b)(iv)(C)	The Stalking Horse Agreement does not contain any provisions pursuant to which an entity is being released or claims against any entity are being waived or otherwise satisfied.
Private Sale/No Competitive Bidding Local Rule 6004- 1(b)(iv)(D)	The Stalking Horse Agreement requires the Debtor to sell the Debtor’s Assets pursuant to certain bidding procedures to be employed, as reflected in the Bidding Procedures Order. Debtor, including through its representatives, may solicit inquiries, proposals or offers from third parties in connection with any alternative transaction pursuant to the terms of the Bidding Procedures Order. <i>See § 1.13 of the Stalking Horse Agreement.</i>
Closing Date Local Rule 6004-1(b)(iv)(E)	The Stalking Horse Agreement provides for an “Outside Date” on the earlier of (i) June 8, 2025 and (ii) three Business Days following entry of the order approving the Sale. <i>See § 1.7 of the Stalking Horse Agreement:</i>

Good Faith Deposit Local Rule 6004-1(b)(iv)(F)	The Stalking Horse Bidder shall be considered a Qualified Bidder and shall not be required to provide a Deposit. <i>See Bidding Procedures ¶ 4.</i>
Use of Proceeds Local Rule 6004-1(b)(iv)(H)	A Qualified Bid, other than the Stalking Horse Bid, must provide for indefeasible payment, in full, in cash of all DIP Obligations and Prepetition Loan Obligations (each as defined in the DIP Order). <i>See Bidding Procedures ¶ 3 (xiv).</i>
Record Retention Local Rule 6004- 1(b)(iv)(J)	The Debtor will have reasonable access to its books and records to enable it to administer its bankruptcy case.
Sale of Avoidance Actions Local Rule 6004-1(b)(iv)(K)	Purchased Assets include all claims and causes of action available to Debtor including (i) avoidance actions under Chapter 5 of the Bankruptcy Code (including Sections 544, 545, 547, 548, 549, 550 and 553) or any similar actions under any other applicable law and (ii) claims and causes of action against (1) any of Debtor's vendors, suppliers, employees, customers or trade creditors in regards or related to the Purchased Assets; (2) any of Debtor's counterparties under any Designated Contracts and (3) any affiliates of any of the foregoing parties listed in clauses (i) and (ii). <i>See Schedule 1 of the Stalking Horse Agreement.</i>
Requested Findings as to Successor Liability Local Rule 6004-1(b)(iv)(L)	The Stalking Horse Agreement requires Debtor to seek entry of an order approving the Sale that includes, among other things, a determination that the Stalking Horse Bidder is not a successor or alter ego of Debtor and grant the Stalking Horse Bidder the protection of Section 363(m) of the Bankruptcy Code. <i>See § 1.13(g) of the Stalking Horse Agreement:</i>
Credit Bidding Local Rule 6004-1(b)(iv)(N)	The Stalking Horse Bidder is entitled to pay the Purchase Price under the Stalking Horse Agreement in the form of a credit bid constituting Prepetition Loan Obligations and DIP Obligations pursuant to Section 363(k) of the Bankruptcy Code. <i>See § 4 of the Bidding Procedures.</i>
Relief from Bankruptcy Rule 6004(h) Local Rule 6004-1(b)(iv)(O)	As set forth below, the Debtor believes that the Sale should be consummated as soon as practicable to preserve and maximize value for creditors.
No-Shop or No-Solicitation Provisions Local Rule 6004-1(c)(i)(C)(1)	The Stalking Horse Agreement does not include any limitations on the Debtor's ability or right to solicit higher or otherwise better bids.

Break-Up/Topping Fees and Expense Reimbursement Local Rule 6004-1(c)(i)(C)(2)	The Stalking Horse Bidder shall be entitled to expense reimbursement for reasonable and documented out-of-pocket costs and expenses (including fees and expenses of counsel) incurred by the Stalking Horse Bidder in connection with the negotiation, diligence, execution, performance and enforcement of the Stalking Horse Agreement. <i>See Stalking Horse Agreement § 1.13(i).</i>
Bidding Increments Local Rule 6004-1(c)(i)(C)(3)	At the Auction, any Overbid after the Baseline Bid shall be made in increments of at least \$100,000. The Initial Overbid Amount shall be the Stalking Horse Bid plus the Expense Reimbursement plus \$250,000.00. <i>See Bidding Procedures p. 11.</i>
Treatment of Break-Up and Topping Fees and Expense Reimbursement at Auction. Local Rule 6004-1(c)(i)(C)(4)	The Stalking Horse Bidder will receive credit for the Expense Reimbursement when valuing its bid <i>vis a vis</i> other bidders. <i>See Bidding Procedures p. 11.</i>

PLEASE TAKE FURTHER NOTICE that, if the Debtor receives qualified competing bids within the requirements and time frame specified by the Bid Procedures, the Debtor will conduct an auction (the “Auction”) of the Assets on **June 2, 2025, at 10:00 a.m. (ET)** at the offices of Womble Bond Dickinson (US) LLP, 1313 North Market Street, Suite 1200, Wilmington, DE 19801 (or at any other location as the Debtor may hereafter designate on proper notice).

PLEASE TAKE FURTHER NOTICE that the Debtor will seek approval of the Sale at a hearing scheduled to commence on or before **June 5, 2025 at 2:00 p.m. (ET)** (the “Sale Hearing”) before the Honorable Craig T. Goldblatt, United States Bankruptcy Judge for the Bankruptcy Court for the District of Delaware, at Courtroom No. 7, 3rd Floor, 824 N. Market St., Wilmington, DE 19801.

PLEASE TAKE FURTHER NOTICE that, except as otherwise set forth in the Bid Procedures Order with respect to any objections to proposed cure amounts or the assumption and assignment of Assumed Contracts, objections to the relief requested in the Motion *must*: (a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules and the Local Rules; (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (d) be filed with the Court and served so as to be ***actually received*** by **4:00 p.m. (ET) on or before May 29, 2025**, by the following parties (the “Notice Parties”):

Counsel to the Debtor	The United States Trustee
Womble Bond Dickinson (US) LLP 1313 North Market Street, Suite 1200 Wilmington, Delaware 19801 Attn: Matthew P. Ward Morgan L. Patterson Marcy J. McLaughlin Smith Matthew.ward@wbd-us.com Morgan.patterson@wbd-us.com Marcy.smith@wbd-us.com	Office of the United States Trustee for the District of Delaware J. Caleb Boggs Building 844 King Street, Suite 2207, Lockbox 35 Wilmington, Delaware 19801 Attn.: Timothy J. Fox
Counsel to the DIP Lender	
Greenberg Traurig, LLP One Vanderbilt Avenue New York, NY 10017 Attn: Brian E. Greer, Jeffrey Wolf greerb@gtlaw.com jeffrey.wolf@gtlaw.com	

CONSEQUENCES OF FAILING TO TIMELY MAKE AN OBJECTION

ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE ON OR BEFORE THE SALE OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER MAY BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE DEBTOR'S ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN THE APPLICABLE PURCHASE AGREEMENT.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Motion, Bidding Procedures, and Bidding Procedures Order, as well as all related exhibits, including the proposed Sale Order, and additional information are available: (a) upon request to Debtor's counsel or (b) for a fee via PACER by visiting <https://ecf.deb.uscourts.gov/>.

Dated: May 12, 2025
Wilmington, Delaware

WOMBLE BOND DICKINSON (US) LLP

/s/ Morgan L. Patterson

Matthew P. Ward (DE Bar No. 4471)
Morgan L. Patterson (DE Bar No. 5388)
Marcy J. McLaughlin Smith (DE Bar No. 6184)
1313 North Market Street, Suite 1200
Wilmington, Delaware 19801
Telephone: (302) 252-4320
Facsimile: (302) 252-4330

Counsel to the Debtor