

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:

XEBEC HOLDING USA INC., *et al.*,

Debtors in a foreign proceeding.¹

Chapter 15

Case No. 22-10934 (KBO)

Jointly Administered

**DECLARATION OF DIMITRIOS “JIM” VOUNASSIS IN SUPPORT OF
FOREIGN REPRESENTATIVE’S MOTION FOR ENTRY OF
ORDER (I) RECOGNIZING AND ENFORCING THIRD AMENDED AND
RESTATED CCAA ORDER; AND (II) AUTHORIZING JUNIOR DIP FINANCING**

I, Dimitrios “Jim” Vounassis, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury under the laws of the United States, as follows:

1. I am the President and Chief Executive Officer of Xebec Adsorption Inc., which is the duly-appointed foreign representative (“**Foreign Representative**”) of the above-captioned debtors (the “**Debtors**”), in Canadian proceedings (the “**Canadian Proceeding**”) commenced under the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended, pending before the Superior Court of Québec in the Commercial Division in the District of Montreal (the “**Canadian Court**”). I am authorized to provide this declaration on behalf of the Foreign Representative.

2. I joined Xebec Adsorption Inc. in May 2021, in the role of Chief Operating Officer, and I became President and Chief Executive Officer in March 2022.

3. Before joining Xebec Adsorption Inc., I worked at Bombardier Transportation, now part of Alstom, one of the world’s largest rail equipment manufacturing companies, as

¹ The Debtors in the chapter 15 proceedings and the last four digits of their federal tax identification numbers are: Xebec Adsorption Inc. (0228), Xebec RNG Holdings Inc. (N/A), Applied Compression Systems Ltd. (N/A), Compressed Air International Inc. (N/A), Xebec Holding USA Inc. (8495), Enerphase Industrial Solutions Inc. (1979), CDA Systems, LLC (6293), Xebec Adsorption USA, Inc. (0821), The Titus Company (9757), Nortekbelair Corporation (1897), XBC Flow Services – Wisconsin Inc. (7493), California Compression, LLC (4752), and Xebec Systems USA LLC (4156). The location of the Debtors’ corporate headquarters and the Debtors’ foreign representative is: 730 Industriel Boulevard, Blainville, Quebec, J7C 3V4, Canada.

Chief Operating Officer. Prior to being appointed Chief Operating Officer at Bombardier Transportation, I held the position of Chief Transformation and Procurement Officer at Bombardier Corporation. Prior to that, I held positions as Vice President Global Operations at Pharmascience, Vice President Global Manufacturing and Strategic Sourcing at Baker Hughes, and Vice President Global Strategic Sourcing at Pratt and Whitney. I graduated from University of Waterloo with an Honours Bachelor of Science in Mechanical Engineering, and I completed an Executive MBA at the Smith School of Business at Queen's University.

4. I respectfully submit this declaration in support of the *Foreign Representative's Motion for Entry of Order (I) Recognizing and Enforcing Third amended and Restated CCAA Order; and (II) Authorizing Junior DIP Financing* (the "**Junior DIP Motion**") filed concurrently herewith. Capitalized but undefined terms herein shall have the meanings set forth in the Junior DIP Motion

5. I previously submitted that certain *Declaration of Dimitrios "Jim" Vounassis in Support of Motion for Recognition of Foreign Main Proceeding* [Docket No. 3], filed on September 30, 2022, which is I fully incorporate herein by reference.

6. The Debtors and certain non-U.S. based subsidiaries and affiliates of the Debtors (the "**Xebec Group**") primarily supply a wide range of renewable and low-emission gas products and services globally through several channels, including direct sales, channel partners, project developers, and e-commerce. The Xebec Group portfolio includes proprietary technologies for the on-site and distributed production of renewable and low-emission natural gas, oxygen and nitrogen, and proprietary technologies that transform raw gases into clean sources of renewable energy. The Xebec Group's operations include manufacturing, research

and development, service, and sales. The Xebec Group operates in North America, Europe, the Middle East, and Asia.

7. The Debtors are continuing to engage in the Sale and Investment Solicitation Process (the “SISP”), and the Junior DIP Facility will allow the Debtors to continue the SISP.

8. The Debtors have determined that they require additional funding because they have fully drawn the Original DIP Loan and need additional liquidity to continue operations and the SISP. Without the Junior DIP Loan, the Debtors will have insufficient means by which to fund operations or the SISP. Accordingly, on February 8, 2023, after good faith and arm’s length negotiations, the Debtors and the Lender entered into an interim financing term sheet, that sets forth the agreed upon terms for the Junior DIP Facility. The Debtors will suffer immediate and irreparable harm if they cannot access the Junior DIP Loan.

9. The Lender has committed to fund CAD\$2,500,000 in Junior DIP Loans, payable in two tranches of CAD\$1,250,000. The Junior DIP Loans will be secured by the Junior DIP Charge, which will be junior to the Original DIP Charge. The proceeds of the Junior DIP Facility will be used to fund the Debtors’ restructuring efforts, including to continue the SISP and complete the transactions resulting therefrom. One of the conditions to closing of the Junior DIP Facility is an order of the United States Bankruptcy Court recognizing and enforcing the Third Amended and Restated Canadian Order and approving the Junior DIP Loan and the Junior DIP Charge.

[Signature Page Follows]

Pursuant to 28 U.S.C. § 1746, I certify under penalty of perjury that, based upon my knowledge, information, and belief as set forth herein, the foregoing is true and correct.

Dated: February 10, 2023

/s/ Dimitrios “Jim” Vounassis
Dimitrios “Jim” Vounassis
President and CEO of Xebec Adsorption Inc.