IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re WESCO AIRCRAFT HOLDINGS, INC., *et al.*,[1] Debtors.	Case No. 23-90611 (DRJ) Chapter 11 (Joint Administration Requested)

DECLARATION OF BRIAN CEJKA IN SUPPORT OF DEBTORS' EMERGENCY MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THEM TO (A) OBTAIN POSTPETITION FINANCING AND (B) USE CASH COLLATERAL, (II) GRANTING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS, (III) GRANTING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES, (IV) MODIFYING THE AUTOMATIC STAY, AND (V) GRANTING RELATED RELIEF

1 The Debtors operate under the trade name Incora and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at http://www.kccllc.net/incora/. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

I, Brian Cejka, declare under penalty of perjury as follows:

1. I am a Managing Director in the North American Commercial Restructuring Practice at Alvarez & Marsal North America, LLC ("***A&M***"), a global professional services firm with principal offices located at 600 Madison Avenue, 8th Floor, New York, New York 10022. I anticipate that the debtors and debtors in possession in the above-captioned chapter 11 cases (the "***Debtors***" and, together with their non-Debtor subsidiaries, "***Incora***") will file, within the first thirty days of these Chapter 11 Cases, an application to retain A&M as their financial advisor in these chapter 11 cases.

2. I submit this declaration (this "***Declaration***") in support of the Debtors' *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Secured Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Granting Adequate Protection to Prepetition Secured Parties, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* (the "***Motion***"),[2] which, as noted in the Motion, seeks approval of a senior-secured superpriority and priming debtor-in-possession financing consisting of new money notes in an aggregate principal amount of $300 million (the "***DIP Financing***") and the consensual use of Cash Collateral.[3]

3. Although A&M is being compensated for its work as the restructuring advisor proposed to be retained by the Debtors, I am not being compensated separately for this testimony. Except as otherwise indicated herein, all of the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by A&M professionals involved in advising the Debtors in these chapter 11 cases, or information provided

[2] Capitalized terms used but not defined herein have the meanings ascribed to them in the Motion, the Interim Order (as defined in the Motion), or the First-Day Declaration (as defined below), as applicable.

[3] The material terms of the DIP Financing are set forth in further detail in the Motion. For the avoidance of doubt, any description of the DIP Financing herein or in the Motion is qualified in its entirety by reference to the DIP Documents (as defined in the Interim Order).

to me by the Debtors. If called upon to testify, I could and would testify to the facts set forth herein on that basis. I am over the age of 18 years and authorized to submit this Declaration.

Background and Qualifications

4. A&M is a leading restructuring services firm with extensive experience and an excellent reputation for providing high quality, specialized management and restructuring advisory services to debtors and distressed companies. Specifically, A&M's core services include turnaround and restructuring advisory services, interim management, corporate performance improvement, valuation, and risk management. A&M provides a wide range of debtor advisory services targeted at stabilizing and improving a company's financial position, including, developing forecasts, business plans, and strategic plans; monitoring and enhancing liquidity; managing supplier relationships; assessing and implementing cost reduction strategies; and designing and negotiating financial restructuring packages. Additionally, A&M provides advice on specific aspects of the turnaround process and helps manage complex constituency relations and communications.

5. I received a Bachelor of Accounting from Southern Methodist University. I am a non-practicing Certified Public Accountant and a Certified Insolvency and Restructuring Advisor. I have more than 25 years of restructuring experience. Since joining A&M's North American Commercial Restructuring Practice, I have provided restructuring advice to companies, creditors, shareholders, and other interested parties on restructuring transactions both in chapter 11 and on an out-of-court basis.

6. In addition to acting as the financial advisor to the Debtors in these cases, some of my other most notable publicly disclosed formal and informal restructuring assignments include Anna Holdings / Acosta, Golfsmith International, Palm Harbor Homes, Kimball Hill Homes, National Energy & Gas Transmission Inc, Champion Enterprises as well as numerous non-public matters.

A&M's Retention

7. A&M has been engaged as restructuring advisor to the Debtors, and members of my team and I have been working closely with the Debtors initially from October 2021 to April 2022 and then more recently commencing in January 2023. Since the Debtors resumed their financial restructuring efforts in 2023, A&M has rendered financial advisory services to the Debtors in connection with the Debtors' evaluation of in-court and out-of-court strategic alternatives to refinance and/or restructure their funded debt obligations and improve their liquidity and overall financial condition. A&M has worked closely with the Debtors' management and other advisors on these strategic alternatives, including working with the Debtors' management to develop and manage their 13-week cash flow forecast and develop and review their longer term financial projections. More recently, A&M has assisted the Debtors' with their preparation for these chapter 11 cases, among other things. Through all of these efforts, A&M has become familiar with the Debtors' capital structure, liquidity needs, and business operations.

The Debtor's Prepetition Capital Structure

8. As of the Petition Date, the Company has approximately $3.1 billion in total funded debt and accrued interest obligations, including approximately $421 million in Prepetition ABL Debt, approximately $1.4 billion in Prepetition 1L Notes Indenture, $533 million in Prepetition 1.25L Notes Indenture, $647 million in various Unsecured Notes indentures, and approximately $156 million in PIK Notes. A detailed capitalization table is set forth in the Motion.[4]

9. The proposed DIP Financing consists of: (a) $300 million of new money notes, of which (i) an initial amount of $110 million will be available upon entry of the Interim Order, and (ii) an additional amount of $190 million will be available upon entry of the Final Order. The Issuer may, subject to certain limitations set forth in the DIP Documents, use the DIP Notes proceeds to pay disbursements or other amounts due in the ordinary course or associated with first day orders

[4] Amounts do not reflect any interest (including payment-in-kind interest) accrued since May 15, 2023.

approved by the Court in accordance with the terms of the DIP Documents. The remaining material terms of the DIP Financing are described in greater detail in the Motion.

THE DEBTORS' NEED FOR LIQUIDITY

10. As detailed in the Motion and the *Declaration of Raymond Carney in Support of Chapter 11 Petitions and First Day Motions* (the "***First-Day Declaration***") to be filed substantially contemporaneously with this Declaration and the Motion, the Debtors have experienced financial stress over the last two years, prompted by the COVID-19 pandemic and its attendant effects, which led to disruption to their inventory procurement process, inflated inventory pricing from their suppliers, lower than expected production rates by their customers, and a limited ability to manage their working capital. In the face of these headwinds, the Company's management and advisors assessed the need for contingency planning and engaged in efforts to prepare the Debtors to commence chapter 11 cases. A key part of these efforts was to evaluate the Debtors' liquidity position and the need for post-petition financing to enable the Debtors to fund any potential chapter 11 cases.

11. In connection with that analysis, I had a substantial number of discussions and meetings with the Debtors' management team and advisors regarding the quantum of capital needed and the potential forms that a financing and restructuring could take. Based on our analysis, those discussions and meetings, my experience in restructuring, and my familiarity with the Debtors and their operations, I do not believe it would be possible to administer these chapter 11 cases, operate the Debtors' business in the ordinary course, and pay administrative costs during these cases solely through the use of cash collateral. I believe the Debtors require immediate access to the DIP Financing to meet their near-term working capital needs, stabilize their operations, and fund the costs of administering these cases

12. The Debtors' need for significant and immediate liquidity is urgent. The Debtors enter these chapter 11 cases with approximately $29 million in cash on hand and approximately $325 million owing to vendors, many of which are essential to survival of the Debtors' business. Without immediate financing, the Debtors project that they will be unable to pay essential costs

required to continue operating as a going concern, resulting in immediate and irreparable harm to the Debtors' business. The Debtors require cash to, among other things, procure goods and services integral to the Debtors' ongoing business operations, fund operational expenses, and maintain favorable relationships with their vendors, suppliers, employees, and customers. In the weeks leading up to the Debtors' bankruptcy filing, many vendors and suppliers slowed down or stopped shipping necessary supplies to Incora. Incora seeks to differentiate itself in a highly competitive industry by ensuring that it has critical supplies available to deliver to its customer at the time the customers need them in their manufacturing process. As such, ensuring that the Debtors have adequate liquidity is essentially to maintaining the supply of critical parts that are necessary for the smooth operation of Incora's business.

13. The size of the DIP Financing and the amount requested on an interim basis has been determined based on a thorough analysis conducted by myself and others at A&M, together with the Debtors' management team and other advisors. These amounts were derived from a cash-flow projection that A&M developed from an analysis of the Debtors' projected operating receipts and disbursements (the "***Budget***," attached hereto as **Exhibit A**) and the associated potential impacts and administrative costs of the chapter 11 filing. Further, the analysis was discussed and thoroughly reviewed with the Debtors' management team. Based on my experience in numerous large-scale corporate bankruptcy cases, my familiarity with the Debtors' operations, extensive discussions with the Debtors' management team and advisors, including a team from A&M acting under my supervision, I believe the Budget presents a reasonable estimate of the Debtors' cash sources and needs during these chapter 11 cases. Given these estimates, I believe that the DIP Financing will provide the Debtors sufficient and necessary liquidity to stabilize their operations and fund the administration of these chapter 11 cases.

14. Specifically, the DIP Financing (and especially the Initial Draw) will allow the Debtors, to: (a) continue satisfying obligations to the Debtors' contract counterparties; (b) provide the liquidity necessary to pay amounts owed to certain vendors and to continue favorable trade terms with those vendors; (c) reassure other stakeholders, customers and employees that the

Debtors have sufficient funds to continue operating in the ordinary course; (d) fund the Debtors' payroll; and (e) fund other administrative costs of these chapter 11 cases. The Debtors also expect to make regular interest payments under the DIP Financing and adequate protection payments to certain prepetition secured creditors, as set forth in the DIP Orders.

15. Without funds available from the DIP Financing and access to cash collateral, I believe the Debtors could face a value-destructive interruption to their business and lose support from important stakeholders on which the Debtors' business depends, including employees, customers, vendors, and other contract counterparties. I believe that this, in turn, would hinder the Debtors' ability to maximize the value of their estates, and the Debtors would be forced to curtail their operations significantly if not entirely, to the detriment of all stakeholders.

16. Taking into account these circumstances and the Debtors' liquidity position, I believe that obtaining the DIP Financing will maximize value for the benefit of the Debtors and their stakeholders.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: June 1, 2023

/s/ Brian Cejka

Brian Cejka
Managing Director
Alvarez & Marsal North America, LLC

Wesco Aircraft Holdings, Inc., *et al.*

13-Week Cash Flow Forecast - Initial DIP Budget

Dated: June 01, 2023

($ in 000s)

Forecast Week:	1	2	3	4	5	6	7	8	9	10	11	12	13	13 Weeks
Week Ending:	3-Jun	10-Jun	17-Jun	24-Jun	1-Jul	8-Jul	15-Jul	22-Jul	29-Jul	5-Aug	12-Aug	19-Aug	26-Aug	Total
Total Collections	**31.6**	**15.8**	**33.2**	**36.6**	**33.0**	**48.0**	**44.8**	**36.6**	**36.4**	**47.8**	**40.5**	**38.3**	**35.3**	**477.9**
Operating Disbursements														
AP Disbursements	(3.6)	(36.3)	(58.9)	(58.7)	(48.4)	(81.8)	(66.0)	(41.6)	(20.7)	(33.4)	(29.7)	(24.9)	(26.7)	(530.5)
Payroll, Benefits & Outside Labor	--	(1.4)	(5.0)	(3.2)	(7.2)	(0.4)	(5.1)	(1.2)	(8.8)	(0.4)	(5.3)	(3.3)	(8.8)	(50.1)
Taxes	(0.5)	--	(0.1)	(0.5)	(0.5)	--	(0.0)	(0.7)	(3.6)	--	--	(0.0)	(1.2)	(7.2)
Total Operating Disbursements	**(4.1)**	**(37.7)**	**(64.0)**	**(62.4)**	**(56.1)**	**(82.2)**	**(71.1)**	**(43.5)**	**(33.1)**	**(33.8)**	**(35.0)**	**(28.2)**	**(36.6)**	**(587.8)**
Factoring Cash Impact	--	(0.1)	(0.6)	(0.1)	(0.2)	(0.1)	(0.1)	--	--	--	--	--	--	(1.2)
Total Operating Cash Flow	**27.5**	**(22.1)**	**(31.5)**	**(25.8)**	**(23.3)**	**(34.3)**	**(26.4)**	**(6.9)**	**3.3**	**14.0**	**5.5**	**10.0**	**(1.3)**	**(111.2)**
Non-Operating Activities														
DIP Draw / (Repayment)	110.0	--	--	--	--	190.0	--	--	--	--	--	--	--	300.0
Debt Service	--	(1.5)	--	(3.0)	(3.8)	(1.5)	--	--	--	(1.5)	--	--	--	(11.3)
Professional Fees	(5.6)	--	(0.2)	--	--	--	(1.9)	(0.7)	(2.2)	--	--	(6.1)	(5.4)	(22.1)
UST Fees	--	--	--	--	--	--	--	(1.0)	--	--	--	--	--	(1.0)
Total Non-Operating Activities	**104.4**	**(1.5)**	**(0.2)**	**(3.0)**	**(3.8)**	**188.5**	**(1.9)**	**(1.7)**	**(2.2)**	**(1.5)**	**--**	**(6.1)**	**(5.4)**	**265.6**
Total Intercompany Activity	**(1.0)**	**--**	**--**	**--**	**(0.2)**	**--**	**--**	**--**	**(0.2)**	**--**	**--**	**--**	**(0.2)**	**(1.6)**
Total Cash Flow	**130.9**	**(23.6)**	**(31.7)**	**(28.8)**	**(27.3)**	**154.2**	**(28.3)**	**(8.6)**	**1.0**	**12.4**	**5.5**	**3.9**	**(6.9)**	**152.8**
Cash														
Beginning Cash Balance	$ 29.5	$ 160.4	$ 136.8	$ 105.1	$ 76.3	$ 49.0	$ 203.2	$ 174.9	$ 166.3	$ 167.3	$ 179.8	$ 185.3	$ 189.2	$ 29.5
Total Cash Flow	130.9	(23.6)	(31.7)	(28.8)	(27.3)	154.2	(28.3)	(8.6)	1.0	12.4	5.5	3.9	(6.9)	152.8
Ending Cash Balance	**$ 160.4**	**$ 136.8**	**$ 105.1**	**$ 76.3**	**$ 49.0**	**$ 203.2**	**$ 174.9**	**$ 166.3**	**$ 167.3**	**$ 179.8**	**$ 185.3**	**$ 189.2**	**$ 182.3**	**$ 182.3**