KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
Anup Sathy, P.C. (admitted *pro hac vice*)
300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
anup.sathy@kirkland.com

-and-

Matthew C. Fagen, P.C. (admitted *pro hac vice*)
Francis Petrie (admitted *pro hac vice*)
Evan Swager (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
matthew.fagen@kirkland.com
francis.petrie@kirkland.com
evan.swager@kirkland.com

Proposed Co-Counsel to the Debtors and Debtors in Possession

COLE SCHOTZ P.C.
Michael D. Sirota, Esq.
Warren A. Usatine, Esq.
Felice R. Yudkin, Esq.
Jacob S. Frumkin, Esq.
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
Telephone: (201) 489-3000
msirota@coleschotz.com
wusatine@coleschotz.com
fyudkin@coleschotz.com
jfrumkin@coleschotz.com

Proposed Co-Counsel to the Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re:	Chapter 11
THRASIO HOLDINGS, INC., *et al.*,	Case No. 24-11840 (CMG)
Debtors.[1]	(Jointly Administered)

NOTICE OF FILING VALUATION ANALYSIS, FINANCIAL PROJECTIONS, AND LIQUIDATION ANALYSIS AS EXHIBITS TO THE DISCLOSURE STATEMENT

PLEASE TAKE NOTICE that on February 28, 2024, the Debtors filed the *Debtors' Motion for Entry of an Order Approving (I) the Adequacy of the Disclosure Statement, (II) the Solicitation and Voting Procedures, (III) the Forms of Ballots and Notices in Connection Therewith, and (IV) Certain Dates with Respect Thereto* [Docket No. 42] (the "Disclosure

[1] The last four digits of Debtor Thrasio Holdings, Inc.'s tax identification number are 8327. A complete list of the Debtors in these chapter 11 cases and each such Debtor's tax identification number may be obtained on the website of the Debtors' proposed claims and noticing agent at https://www.kccllc.net/Thrasio. The Debtors' service address for purposes of these chapter 11 cases is 85 West Street, 3rd Floor, Walpole, MA, 02081.

Statement Motion") seeking approval of the *Debtors' Disclosure Statement Relating to the Joint Plan of Reorganization of Thrasio Holdings, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 41] (the "Disclosure Statement") in the chapter 11 cases of the above-captioned debtors and debtors in possession (collectively, the "Debtors").

PLEASE TAKE FURTHER NOTICE that the Debtors hereby submit the following documents as additional exhibits to the Disclosure Statement, as may be modified, amended, or supplemented from time to time:

Exhibit D	Financial Projections
Exhibit E	Valuation Analysis
Exhibit F	Liquidation Analysis

PLEASE TAKE FURTHER NOTICE that a hearing on the Disclosure Statement Motion will be held on **April 5, 2024, at 10:00 a.m., prevailing Eastern Time**, or as soon thereafter as counsel may be heard (the "Disclosure Statement Hearing") before the Honorable Christine M. Gravelle, United States Bankruptcy Judge, in Courtroom 3 of the United States Bankruptcy Court for the District of New Jersey (the "Courtroom"), 402 East State Street, Trenton, NJ 08608.

PLEASE TAKE FURTHER NOTICE that copies of the Disclosure Statement, the Disclosure Statement Motion, and all other documents filed in these chapter 11 cases may be obtained free of charge by visiting the website of Kurtzman Carson Consultants LLC at https://www.kccllc.net/thrasio. You may also obtain copies of any pleadings by visiting the Court's website at https://www.njb.uscourts.gov in accordance with the procedures and fees set forth therein.

[*Remainder of page intentionally left blank*]

Dated: March 27, 2024

/s/ Michael D. Sirota

COLE SCHOTZ P.C.
Michael D. Sirota, Esq.
Warren A. Usatine, Esq.
Felice R. Yudkin, Esq.
Jacob S. Frumkin, Esq.
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
Telephone: (201) 489-3000
Email: msirota@coleschotz.com
wusatine@coleschotz.com
fyudkin@coleschotz.com
jfrumkin@coleschotz.com

KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
Anup Sathy, P.C. (admitted *pro hac vice*)
300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
anup.sathy@kirkland.com

-and-

Matthew C. Fagen, P.C. (admitted *pro hac vice*)
Francis Petrie (admitted *pro hac vice*)
Evan Swager (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
matthew.fagen@kirkland.com
francis.petrie@kirkland.com
evan.swager@kirkland.com

Proposed Co-Counsel to the Debtors and Debtors in Possession

Exhibit D

Financial Projections

EXHIBIT D

Financial Projections

The accompanying financial projections (the "Financial Projections") were developed by the Debtors' management ("Management") to support the feasibility of the *Joint Chapter 11 Plan of Reorganization of Thrasio Holdings Inc. and Its Debtor Affiliates* (as modified, amended, or supplemented from time to time, the "Plan")[1] pursuant to chapter 11 of the Bankruptcy Code. The Financial Projections are comprised of the operations of the Debtors and their wholly owned subsidiaries. The Financial Projections do not include sale proceeds related to the sale of any subsidiaries.

THE FINANCIAL PROJECTIONS ARE BASED UPON A NUMBER OF SIGNIFICANT ASSUMPTIONS. ACTUAL OPERATING RESULTS AND VALUES MAY VARY SIGNIFICANTLY FROM THESE FINANCIAL PROJECTIONS.

Overview of Financial Projections

As a condition to Confirmation, the Bankruptcy Code requires, among other things, that the Debtors demonstrate that Confirmation is not likely to be followed by either a liquidation or the need to further reorganize the Debtors. In connection with developing the Plan, and for purposes of determining whether the Plan satisfies feasibility standards, Management and its advisors have, through the development of the Financial Projections, analyzed the Reorganized Debtors' ability to meet their obligations under the Plan and to maintain sufficient liquidity and capital resources to conduct their businesses. The Financial Projections will also assist each holder of an Allowed Claim in determining whether to vote to accept or reject the Plan. The Financial Projections were prepared in good faith, based upon estimates and assumptions made by Management. The estimates and assumptions in the Financial Projections, while considered reasonable, may not be realized, and are inherently subject to uncertainties and contingencies. They are also based on factors such as industry performance, general business, economic, competitive, regulatory, market and other financial and operational conditions, all of which are inherently difficult to predict and may be beyond the Debtors' control. Because future events and circumstances may well differ from those assumed and unanticipated events or circumstances may occur, the actual and projected results may differ, and those actual results may be materially greater or materially less than those contained in the Financial Projections.

No representations can be made as to the accuracy of the Financial Projections or the Debtors' ability to achieve the projected results. Therefore, the Financial Projections are not a guarantee that actual results that will occur. The Financial Projections are subjective in many respects, and thus are susceptible to multiple interpretations and periodic revisions based on actual results and future developments. The Debtors do not intend to update or otherwise revise the Financial Projections to reflect the occurrence of future events, even in the event that assumptions underlying the Financial Projections are not borne out. The Financial Projections should be read in conjunction with the assumptions and qualifications set forth herein.

In general, as illustrated by the Financial Projections, the Debtors believe they should have sufficient liquidity to pay and service their debt obligations, and to operate their businesses. The Debtors believe that Confirmation and Consummation are not likely to be followed by the liquidation or further reorganization of the Debtors. Accordingly, the Debtors believe that the Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code.

---

[1] Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan.

THE DEBTORS DID NOT PREPARE THE FINANCIAL PROJECTIONS WITH A VIEW TOWARDS COMPLYING WITH THE GUIDELINES FOR PROSPECTIVE FINANCIAL STATEMENTS PUBLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS. THE DEBTORS' INDEPENDENT AUDITOR HAS NEITHER COMPILED NOR EXAMINED THE ACCOMPANYING PROSPECTIVE FINANCIAL INFORMATION TO DETERMINE THE REASONABLENESS THEREOF AND, ACCORDINGLY, HAS NOT EXPRESSED AN OPINION OR ANY OTHER FORM OF ASSURANCE WITH RESPECT THERETO. THE DEBTORS DO NOT, AS A MATTER OF COURSE, PUBLISH FINANCIAL PROJECTIONS OF THEIR ANTICIPATED FINANCIAL POSITION, RESULTS OF OPERATIONS, OR CASH FLOWS.

ACCORDINGLY, NEITHER THE DEBTORS NOR THE REORGANIZED DEBTORS INTEND TO, AND EACH DISCLAIMS ANY OBLIGATION TO: (A) FURNISH UPDATED FINANCIAL PROJECTIONS TO HOLDERS OF CLAIMS OR INTERESTS PRIOR TO THE EFFECTIVE DATE OR TO ANY OTHER PARTY AFTER THE EFFECTIVE DATE; (B) INCLUDE ANY SUCH UPDATED INFORMATION IN ANY DOCUMENTS THAT MAY BE REQUIRED TO BE FILED WITH THE SECURITIES AND EXCHANGE COMMISSION; OR (C) OTHERWISE MAKE SUCH UPDATED INFORMATION PUBLICLY AVAILABLE.

The Debtors and their advisors prepared the Financial Projections based on, among other things, the anticipated future financial condition and results of operations of the Debtors using Management's long range business plan (the "Business Plan"). The Financial Projections of the Debtors cover the fiscal years ending December 2024 through December 2028 (the "Projection Period").

The Financial Projections assume that the Plan will be consummated in accordance with its terms and that all transactions contemplated by the Plan will be consummated by May 24, 2024 (the "Effective Date"). Any significant delay of the Effective Date may have a significant negative impact on the operations and financial performance of the Debtors including, but not limited to, an increased risk or inability to meet financial forecasts and the incurrence of higher reorganization expenses.

The Debtors do not intend to update or otherwise revise the Financial Projections to reflect circumstances that may occur after their preparation, or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error.

Additional information relating to the principal assumptions used in preparing the Financial Projections are set forth below.

General Assumptions and Methodology

The Debtors operate two primary business lines: (i) selling owned branded products to consumers via five product distribution channels including Amazon US, Amazon International, Marketplaces, Wholesale, and Direct-to-Consumer ("DTC") channels; and (ii) generating commission revenues by advertising, referring and linking products to various websites and platforms.

The Financial Projections consist of projected consolidated statements of operations and projected consolidated cash flows for each year in the Projection Period. The Financial Projections are based on the Debtors' Business Plan.

The Financial Projections have been prepared using accounting policies that are materially consistent with those applied in the Debtors' historical financial statements. The Financial Projections do not reflect the formal implementation of reorganization accounting pursuant to FASB Accounting Standards Codification

Topic 852, Reorganizations ("ASC 852"). Overall, the implementation of ASC 852 is not anticipated to have a material impact on the underlying economics of the Plan.

The Financial Projections: (a) are based upon current and projected market conditions in which the Debtors operate; (b) are forecasted for each of the Debtors' product distribution channels; (c) assume emergence from chapter 11 on the Effective Date under terms substantially similar to those set forth in the Plan; (d) assume product distribution channel exits from Amazon International, Wholesale, and DTC channels at the start of 2025; and (e) reflect internally funded M&A investments during the Projection Period. Certain assumptions have not been made to reflect "fresh start" accounting.

Income Statement Assumptions

A. Revenue

Consolidated gross revenue is projected to be approximately $0.9 billion in 2024, $0.8 billion in 2025, $1.0 billion in 2026, $1.1 billion in 2027, and $1.2 billion in 2028.

The gross revenue forecast consists of revenue forecasts from Debtors' existing channels including Amazon US, Amazon International, Marketplaces, Wholesale, Affiliate, and DTC, and incremental revenue streams from the newly acquired M&A targets. The revenue forecast assumes exits from Amazon International, Wholesale, and DTC channels at the start of 2025.

Gross revenue projections are forecasted based on Debtors' sales volume and price forecast. The consolidated 2025 revenue is forecasted to be lower than the consolidated 2024 revenue forecast primarily due to (i) the aforementioned product distribution channel exits in 2025 and (ii) a reduction in promotional sales activity as days on hand inventory balances are reduced. Amazon US, Marketplaces, and Affiliate revenues are forecasted to continue to grow beyond 2025 with Marketplaces leading the growth as the Company focuses on further expansion in other leading marketplace platforms with a broader set of product mix. The Debtors are assumed to pursue M&A opportunities which are expected to provide incremental inorganic revenue growth.

Net revenue projections are calculated as projected gross revenues *less* projected sales returns, discounts and sales promotions based on historical trends and assumed price and product mix by channel.

B. Cost of Sales

Cost of Sales include Cost of Goods Sold (COGS), Fulfillment Fees, and Selling Fees.

Cost of goods sold primarily includes consumer product costs as well as inbound shipping and duty costs to receive products from Company's suppliers, and inventory shrinkage and adjustments related to writing down the inventory to its net realizable value. Cost of sales also includes internal transfer costs and fees, which are expensed in the period incurred.

Fulfillment fees are charges based on units stored, picked, packed, and shipped by Amazon and other distribution channels' fulfillment service programs.

Selling fees relate to Amazon and other distribution channels' referral fees charged as a percentage of product's selling price.

Gross margin improvement is driven by an improved price/volume mix due to reductions in promotions, improved inventory on hand position and reduced logistics costs.

C. Operating Expenses

Operating expenses include warehousing and transportation costs, marketing expenses, and general & administrative expenses.

Warehousing costs consist of variable and fixed warehousing costs. Variable warehousing costs include inbound and outbound warehousing costs as well as value-added-services charges based on units moved. Fixed warehousing costs include Amazon storage fees and Third-party Logistics ("3PL") storage fees based on units held at Amazon and 3PL warehouses. Reduction in variable warehousing costs in 2025 relates to lower unit sales and an increased number of units shipped directly to Amazon warehouses. Reduction in fixed warehousing costs in 2025 relates to an improved inventory position, resulting in less inventory held at 3PLs.

Transportation costs include shipping costs between 3PL warehouses and from 3PL warehouses to Amazon warehouses. Reduction in transportation costs in 2025 relates to lower unit sales and an increased number of units shipped directly to Amazon warehouses from suppliers.

Marketing expenses primarily relate to product advertising costs for campaigns on Amazon and other third-party platforms. Marketing expenses are assumed to be tied to sales, and ranges from 10% to 11% of sales throughout the projection period.

General and administrative expenses include employee compensation and benefits, ordinary-course professional services fees, software and IT expenses, facility and office leases, franchise taxes, and other general operating expenses. Reduction in general and administrative expenses in 2025 primarily relates to the exits from Amazon International, Wholesale, and DTC channels.

<u>Adjusted EBITDA:</u> Adjusted EBITDA reflects earnings from operations and excludes costs related to non-core operating expenses, including costs associated with the restructuring, disposal costs related to unprofitable inventory, and other non-core operating expenses.

Adjusted EBITDA is projected to steadily improve from negative $105 million in 2024 to $138 million in 2028 based on improved price/volume mix, improved inventory position, reduced input costs, focused channel strategy, benefits of operational leverage, and the impact of rationalizing 3PL footprint and further leveraging Amazon's fulfillment infrastructure.

Cash Flow Assumptions

A. Restructuring Charges

Primarily includes restructuring-related professional fees and severance.

B. Disposals & Donations

Relates to one-time charges for disposals of excess inventory.

C. Change in Net Working Capital:

Based on net working capital-related assumptions as below:

i. Accounts Receivable

Forecasted based on normalized historical days sales outstanding (DSO) trends and pro forma channel mix beyond 2025.

ii. Inventory

Forecast inventory for 2024 is based on channel level inventory roll forwards with assumptions that are reflective of the Debtors' purchasing and sales forecast. For years 2025 and beyond, inventory is forecasted using normalized historical and targeted days on hand metrics. Promotional sales activity to reduce the days on hand inventory position and an increase inventory turns based on data science and logistics improvements are the primary drivers of the source of cash from working capital in 2024 and 2025.

iii. Accounts Payable ("A/P")

A/P is forecasted based on normalized days payable outstanding (DPO) trends, with an assumed expansion in DPO over the forecast period to reflect Debtors' improved credit profile post-Emergence and stronger relationship with the supplier base.

D. Capital Expenditures

No capital expenditures are assumed in the Financial Projections

E. Income Tax Expense / (Benefit)

The potential tax impact from the restructuring has not been assumed in the forecast and any potential future cash income tax payments are not included in the Financial Projections.

F. M&A Investments

$85 million of cash generated by business operations is assumed to be deployed to acquire new targets over the Projection Period.

G. DIP-to-Exit Cash Interest

Interest payments over the Projection Period are based upon the following: the Debtors' Approved DIP Budget dated February 26, 2024 prior to the Consummation of the Plan; and the Debtors' anticipated capital structure following the Consummation of the Plan. The Projections assume cash interest payments over the Projection Period based on the terms of the DIP-to-Exit Facility and projected period-end cash balances greater than the minimum cash balance required for cash interest payments.

THRASIO HOLDINGS INC.
PROJECTED STATEMENT OF OPERATIONS AND CASH FLOWS
$USD IN MILLIONS
(UNAUDITED)

($ in M, except for ASP)	Financial Projections				
	2024	**2025**	**2026**	**2027**	**2028**
Units	39.3	32.1	36.1	41.2	45.7
ASP	$21.98	$26.19	$26.53	$26.83	$26.76
Gross Revenue	$863	$840	$959	$1,105	$1,224
Returns	(46)	(43)	(47)	(52)	(55)
Net Revenue	**$818**	**$796**	**$912**	**$1,053**	**$1,169**
COGS	($264)	($229)	($250)	($281)	($314)
Fulfillment Fees	(203)	(180)	(199)	(224)	(245)
Selling Fees	(120)	(118)	(135)	(156)	(174)
Total Costs/Fees	**(587)**	**(527)**	**(585)**	**(662)**	**(732)**
Gross Profit	**$230**	**$269**	**$327**	**$392**	**$437**
Gross Margin	*28.2%*	*33.8%*	*35.8%*	*37.2%*	*37.4%*
Marketing	($88)	($81)	($93)	($106)	($120)
Variable Warehousing	(21)	(10)	(9)	(10)	(10)
Transportation	(18)	(12)	(11)	(13)	(14)
Variable Contribution Profit	**$103**	**$166**	**$213**	**$263**	**$292**
Contribution Margin	*12.6%*	*20.9%*	*23.3%*	*25.0%*	*25.0%*
Fixed Warehousing	($59)	($26)	($23)	($26)	($30)
G&A	(149)	(117)	(117)	(121)	(125)
Adj. EBITDA	**($105)**	**$23**	**$72**	**$115**	**$138**
Adj. EBITDA Margin	*(12.9%)*	*2.9%*	*8.0%*	*10.9%*	*11.8%*
Adj. EBITDA	**($105)**	**$23**	**$72**	**$115**	**$138**
Restructuring Charges	(50)	(8)	–	–	–
Disposals & Donations	(10)	–	–	–	–
Change in Net Working Capital	108	52	11	3	(2)
M&A	(5)	(20)	(20)	(20)	(20)
Unlevered Free Cash Flow	**($63)**	**$47**	**$64**	**$98**	**$116**
DIP-to-Exit New Money / (Repayment)	90	–	–	–	–
DIP-to-Exit Cash Interest & Fees	(4)	(30)	(50)	(50)	(50)
Levered FCF	**$23**	**$17**	**$14**	**$49**	**$66**
Beginning Unrestricted Cash	$56	$79	$96	$110	$159
Net Cash Flow	23	17	14	49	66
Ending Unrestricted Cash	**$79**	**$96**	**$110**	**$159**	**$225**

Exhibit E

Valuation Analysis

VALUATION ANALYSIS

A. Disclaimer

THE VALUATION SET FORTH HEREIN REPRESENTS THE ESTIMATED ENTERPRISE VALUE FOR THE REORGANIZED DEBTORS AND DOES NOT NECESSARILY REFLECT THE VALUES THAT COULD BE ATTAINABLE IN THE PUBLIC OR PRIVATE MARKETS. THIS VALUATION IS PRESENTED SOLELY FOR THE PURPOSE OF PROVIDING ADEQUATE INFORMATION AS REQUIRED BY SECTION 1125 OF THE BANKRUPTCY CODE TO ENABLE THE HOLDERS OF CLAIMS OR INTERESTS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN TO MAKE AN INFORMED JUDGMENT ABOUT THE PLAN AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING THE PURCHASE OR SALE OF CLAIMS AGAINST THE DEBTORS OR ANY OF THEIR AFFILIATES.

B. Valuation Estimate

In connection with developing the Plan (as may be amended, modified, or supplemented from time to time, the "Plan"), the Debtors directed their investment banker, Centerview Partners LLC ("Centerview"), to estimate the going-concern value of the Reorganized Debtors. This analysis has been prepared for the Debtors' sole use and is based on information provided to Centerview by the Debtors. The estimated going-concern value will be used to determine the estimated recoveries to holdings of claims and interests under the Plan.

Based on the financial projections provided by the Debtors and subject to the disclaimers and the descriptions of Centerview's methodology set forth herein, and solely for purposes of the Plan, Centerview estimates the total enterprise value of the Reorganized Debtors (the "Enterprise Value"), as of March 15, 2024, to be within the range of approximately $470 million to $650 million with an estimated midpoint of $560 million. The range of implied total equity value, which is calculated by taking the Enterprise Value less the estimated net debt outstanding as of the assumed effective date of May 31, 2024 (the "Assumed Effective Date"), was estimated by Centerview to be between approximately $140 million and $320 million with an estimated midpoint of $230 million. The Enterprise Value of the Reorganized Debtors should be considered as a whole, and the underlying analyses should not be considered indicative of the values of any individual operation of the Reorganized Debtors.

In preparing the estimated Enterprise Value for the Reorganized Debtors, Centerview: (1) reviewed certain historical financial information of the Debtors for recent years and interim periods provided by the Debtors; (2) reviewed certain of the Debtors' internal financial and operating data; (3) met with certain members of the Debtors' senior management to discuss the Debtors' operations and future prospects; (4) reviewed publicly available financial data and considered the market values of public companies deemed by Centerview to be generally comparable to the operating businesses and financial profile of the Debtors; (5) considered certain economic and industry information relevant to the Debtors' operating businesses; (6) prepared a discount cash flow analysis based on the financial projections, utilizing various discount rates and other assumptions; and (7) conducted other such analyses as Centerview deemed appropriate.

Although Centerview conducted a review and analysis of the Debtors' businesses, operating assets and liabilities, and business plan, Centerview relied on the accuracy and completeness of all financial information furnished to it by the Debtors and by other firms retained by the Debtors and on certain publicly available information as to which Centerview does not have independent knowledge.

Centerview did not attempt to independently audit or verify such information, nor did it perform an independent appraisal of the assets or liabilities of the Reorganized Debtors. Centerview did not conduct an independent investigation into any legal, tax, pension or accounting matters affecting the Reorganized Debtors, and therefore makes no representations as to their impact on the Reorganized Debtors' financial statements.

The financial projections provided by the Debtors to Centerview are for fiscal years 2024 through 2028 (the "Financial Projections"). Centerview has relied on the Debtors' representation and warranty that the Financial Projections provided by the Debtors to Centerview (1) have been prepared in good faith, (2) are based on fully disclosed assumptions which, in light of the circumstances under which they were made, are reasonable, (3) reflect the Debtors' best currently available estimates, and (4) reflect the good faith judgments of the Debtors. Centerview does not offer an opinion as to the attainability of the Financial Projections. The future results of the Reorganized Debtors are dependent upon various factors, many of which are beyond the control or knowledge of the Debtors, and consequently are inherently difficult to project. The Reorganized Debtors' actual future results may differ materially (positively or negatively) from the Financial Projections and as a result, the actual Enterprise Value of the Reorganized Debtors may be significantly higher or lower than the estimated range herein.

C. Valuation Methodology

The following is a brief summary of certain analyses performed by Centerview to arrive at its range of estimated Enterprise Values for the Reorganized Debtors. An estimate of Enterprise Value is not entirely mathematical, but rather involves complex considerations and qualitative judgments concerning various factors that could affect the value of an operating business. Centerview's estimated Enterprise Value is highly dependent on the Reorganized Debtors ability to meet their Financial Projections. Centerview's valuation analysis must be considered as a whole.

i. Discounted Cash Flow Analysis ("DCF")[(1)]

A DCF analysis is a forward-looking valuation methodology that estimates the value of an asset or business by calculating the present value of expected future cash flows to be generated by that asset or business. Under this methodology, the expected future cash flows are discounted by the business's estimated weighted average cost of capital (the "Discount Rate"). The Discount Rate reflects the estimated blended rate of return that would be required by debt and equity investors to invest in the business based on its capital structure. The Enterprise Value of the Reorganized Debtors was estimated by performing a DCF analysis based on the Reorganized Debtors' Financial Projections[(1)] from the assumed emergence date of May 31, 2024 through the end of 2028 (the

(1) The financial projections used in the discounted cash flow analysis excludes the impact of one-time restructuring and other costs.

"Forecast Period"), plus an estimate for the value of the Reorganized Debtors beyond the Forecast Period known as the terminal value. The terminal value can be derived through two generally accepted approaches: (i) applying perpetuity growth rates to the terminal year normalized cash flow; or (ii) applying multiples to the projected earnings before interest, taxes, depreciation, and amortization ("EBITDA") of the final projected year of the Forecast Period. Centerview utilized the EBITDA multiple method to estimate the terminal value of the Reorganized Debtors' business. The terminal value is then discounted back to the Assumed Effective Date, using the Discount Rate.

Although formulaic methods are used to derive the key components of the DCF methodology, their application and interpretation still involve complex considerations and judgments concerning potential variances in the projected financial and operating characteristics of the Reorganized Debtors, which in turn affect their cost of capital and terminal values.

ii. Comparable Company Analysis

A comparable company analysis estimates the value of a company based on a relative comparison with other publicly traded companies with similar operating and financial characteristics. Under this methodology, the Enterprise Value for each selected public company is determined by examining the trading prices for the equity securities of such company in the public markets and adding the aggregate amount of outstanding net debt for such company. Such enterprise values are commonly expressed as multiples of various measures of financial statistics, such as revenue and EBITDA. The Enterprise Value is then calculated by applying these multiples to the Reorganized Debtors' projected financial metrics. For the purposes of determining the appropriate list of comparable public companies, Centerview analyzed online retailers and marketplaces, online direct-to-consumer brands as well as other companies that operate a portfolio of brands. Within these categories, Centerview considered the comparability, scale and profitability of such businesses, among other factors.

The selection of appropriate comparable entities is often difficult, a matter of judgment and subject to limitations due to sample size and the availability of meaningful market-based information. Accordingly, Centerview's comparison of the selected entities with the business of the Debtors and analysis of the results of such comparisons was not purely mathematical, but instead necessarily involved complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the relative values of the selected companies and the Debtors.

D. Valuation Considerations

This valuation is based upon information available to, and analyses undertaken by, Centerview as of March 15, 2024, and reflects, among other factors discussed below, the financial market conditions as of that date and the inherent uncertainty as to the achievement of the Financial Projections. The value of an operating business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial conditions and prospects of such a business. For purposes of this valuation, Centerview has assumed that no material changes that would affect value will occur between the March 15, 2024 and the Assumed

Effective Date. Events and conditions subsequent to March 15, 2024, could have a substantial impact upon the Reorganized Debtors' value. Neither Centerview nor the Debtors has any obligation to update, revise, or reaffirm the valuation.

This valuation also reflects a number of assumptions, including a successful reorganization of the Debtors' businesses and finances in a timely manner, achieving the forecasts reflected in the Financial Projections, the minimum amount of cash required to operate the Debtors' businesses, market conditions and the Plan becoming effective in accordance with its terms on a basis consistent with the estimates and other assumptions discussed herein. Among other things, failure to consummate the Plan in a timely manner may have a materially negative impact on the enterprise value of the Reorganized Debtors.

The estimate of total enterprise value set forth herein is not necessarily indicative of actual outcomes, which may be significantly more or less favorable than those set forth herein depending on the results of the Debtors' operations or changes in the financial markets. Additionally, these estimates of value represent hypothetical enterprise and equity values of the Reorganized Debtors as the continuing operator of the Debtors' businesses and assets, and do not purport to reflect or constitute appraisals, liquidation values or estimates of the actual market value that may be realized through a sale, which may be significantly different than the amounts set forth herein. The value of an operating business such as the Debtors' businesses is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such businesses.

Centerview's estimated valuation range of the Reorganized Debtors does not constitute a recommendation to any holder of Allowed Claims or Interests as to how such person should vote or otherwise act with respect to the Plan. The estimated value of the Reorganized Debtors set forth herein does not constitute an opinion as to the solvency of the Debtors nor the fairness from a financial point of view to any person of the consideration to be received by such person under the Plan or of the terms and provisions of the Plan. Because valuation estimates are inherently subject to uncertainties, none of the Debtors, Centerview or any other person assumes responsibility for their accuracy or any differences between the estimated valuation ranges herein and any actual outcome.

Exhibit F

Liquidation Analysis

Liquidation Analysis[1]

Introduction

Under the "best interests of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code, the Bankruptcy Court may not confirm a plan of reorganization unless the plan provides each holder of an allowed claim or interest that does not otherwise vote in favor of the plan with property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor were liquidated under Chapter 7 of the Bankruptcy Code.

To demonstrate that the Plan satisfies the best interests of creditors test, the Debtors, with the assistance of their professional advisors, have prepared the hypothetical liquidation analysis set forth in this Exhibit F attached to the Disclosure Statement (the "Liquidation Analysis").

Consistent with the assumptions set forth in many prior retail Chapter 11 cases, the Liquidation Analysis set forth herein assumes that an orderly liquidation of the Debtors assets in Chapter 11 would generate greater recoveries than an immediate distressed sale by a Chapter 7 Trustee. In other words, as set forth in this Liquidation Analysis, the Debtors believe the Plan provides each Holder of an impaired Claim with a recovery that is not less than the value such Holder would receive or retain in an orderly Chapter 11 liquidation or a Chapter 7 liquidation.

The first step in determining whether the best interests test has been met is to determine the dollar amount that would be generated from the hypothetical orderly liquidation of the Debtors' assets. The gross amount of Cash available for distribution would be the sum of the proceeds from the disposition of the Debtors' assets and the cash and equivalents held by the Debtors at the time of the commencement of the liquidation. Such amount would then be reduced by the amount of: (a) the cost and expenses of the liquidation; and (b) any Claims secured by such assets. Any remaining net cash would be allocated to creditors and shareholders in strict priority in accordance with Section 726 of the Bankruptcy Code.

A general summary of the assumptions used in preparing this Liquidation Analysis follows.

Liquidation Period & Wind Down Period

It is assumed that the liquidation process would commence on May 31, 2024 (the "Liquidation Date") and that the Debtors will conduct a 3-month orderly liquidation of assets in Chapter 11 (the "Liquidation Period"), followed by a conversion to Chapter 7 and a 3-month period to fully wind down the Debtors' operations and Estates (the "Wind-Down Period").

---

[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Disclosure Statement.

Estimate of Net Proceeds

Estimates were made of the cash proceeds that might be realized from the hypothetical liquidation of the Debtors' assets. Asset balances are based on the Debtors' unaudited financial statements as of January 31, 2024 rolled forward to the Liquidation Date of May 31, 2024. Asset balance estimates as of May 31, 2024 are based on the Debtors' Approved DIP Budget dated February 26, 2024, the Company's financial projections and other management estimates.

The estimated proceeds received from the liquidation are based on the assumption that the Debtors would sell and/or liquidate all inventory, brand intellectual property and substantially all other assets over the 90-day Liquidation Period. There are no assurances that an orderly liquidation could be completed during the Liquidation Period or that the asset recovery assumptions will be realized as assumed.

Estimate of Costs

The Debtors' estimated costs during the Liquidation Period and Wind Down Period include (a) all costs associated with storing, transporting, marketing and disposing of inventory; (b) personnel costs associated with the monetization of inventory and other assets as well as the wind down of the estate; (c) professional fees for those professionals that continue to provide necessary services to the Debtors; and (d) IT costs for services that are assumed to be necessary during this period. It is possible that the wind down expenses may be different from the estimated amounts. In addition, certain costs could arise during the Liquidation Period and Wind Down Period which are currently unanticipated, and these may further jeopardize the projected recoveries.

Distribution of Net Proceeds Under Absolute Priority

Under a Chapter 7 liquidation, all secured claims are required to be satisfied from the proceeds of the collateral securing such claims before any such proceeds would be distributed to any other creditors, subject to any agreed carve-out approved by the Court. This analysis assumes the application of the rule of absolute priority of distributions with respect to the remaining proceeds of the Debtor. Under that rule, no junior creditor receives any distribution until all senior creditors are paid in full. The costs, expenses and fees associated with the liquidation would be paid in full from the liquidation proceeds before the balance of the proceeds would be made available to pay Chapter 11 administrative Claims, and then to pay priority Claims and then to pay unsecured Claims.

After consideration of the effects of a liquidation on the ultimate proceeds available for distribution to creditors, including, (a) the costs and expenses of a liquidation, (b) the erosion in value of assets in a liquidation case in the context of the expeditious liquidation prudent under these circumstances and the "forced sale" atmosphere that would likely prevail, and (c) the substantial increase in Claims which would be satisfied on a prior basis, **THE DEBTORS HAVE DETERMINED THAT CONFIRMATION OF THE PLAN WILL PROVIDE EACH CREDITOR WITH A**

RECOVERY THAT IS NOT LESS THAN SUCH CREDITOR WOULD RECEIVE PURSUANT TO A LIQUIDATION OF THE DEBTORS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE AND FURTHER UNDER A CHAPTER 7 OF THE BANKRUPTCY CODE.

Global Notes and Assumptions

The following is a summary of the major assumptions underlying the Liquidation Analysis:

1. This Liquidation Analysis assumes that an orderly liquidation of assets in Chapter 11 would provide greater recoveries to creditors as compared to a liquidation under a Chapter 7 Trustee. Because the Liquidation Analysis demonstrates that the Plan provides greater recoveries to creditors than an orderly Chapter 11 liquidation, the Plan, by extension, provides greater recoveries to creditors than a Chapter 7 distressed or fire sale liquidation, thereby satisfying the standard set forth in Section 1129(a)(7) of the Bankruptcy Code.

2. Asset balances as of the Liquidation Date are based on the Debtors' unaudited financial statements as of January 31, 2024 rolled forward to the Liquidation Date of May 31, 2024. Asset balance estimates as of May 31, 2024 are based on the Debtors' Approved DIP Budget dated February 26, 2024, the Company's financial projections and other management estimates.

3. This Liquidation Analysis assumes that a majority of the Debtors' assets will be liquidated during the Liquidation Period. Although the Debtors believe a 13-week period is sufficient to allow for an orderly liquidation of all inventory and other assets, there can be no assurances made that all assets will be completely liquidated during this time period.

4. The Liquidation Analysis assumes that a Chapter 7 Trustee, the Committee, and/or a subset of the Debtors' management team will take all of the necessary steps required to fully wind down the Debtors' operations and Estates within 90 days of the conclusion of the orderly liquidation (subject to resolution of Administrative Claims).

5. It is assumed that assets will be sold for Cash or Cash equivalents.

6. It is assumed that assets subject to capital leases will be returned to the lessor. The Liquidation Analysis has not estimated any applicable deficiency claims associated with such leases.

7. It is assumed that all non-operating assets would be disposed of through sale, liquidation, termination and/or abandonment as appropriate.

8. It is assumed that the current DIP-to-Exit Facility, in accordance with the Super-Priority Senior Secured Debtor-in-Possession Credit Agreement dated March 1, 2024, will be approved at the final hearing.

9. The Liquidation Analysis presents the liquidation of the Debtors on a consolidated basis as the Holders of DIP Facility Claims, in accordance with the Super-Priority Senior Secured Debtor-in-Possession Credit Agreement dated March 1, 2024, have liens on substantially all of the assets of each of the individual Debtors. Accordingly, proceeds realized from each Debtor are aggregated in a common distribution source. For purposes of distribution, each Claim asserted against or interest in any Debtor is presumed to be entitled to a distribution from the aggregated proceeds. Any Claim against a Debtor and any guarantee thereof executed by any other Debtor and any joint or several liabilities of any of the Debtors are deemed to have one right to a distribution from the aggregated proceeds. As set forth herein, it is assumed that no value would be available to any creditors other than the Holders of DIP Facility Claims.

10. The Liquidation Analysis does not include any recoveries from the pursuit of any potential preferences, fraudulent conveyances, or other causes of action and does not include estimated costs associated with pursuing those actions.

The Liquidation Analysis is based upon a number of estimates and assumptions that, although developed by and considered reasonable by the management of the Debtors, are inherently subject to significant economic, business, governmental, regulatory, competitive uncertainties as well as other contingencies beyond the control of the Debtors or their management. The Liquidation Analysis is also based on assumptions with regard to liquidation decisions that are subject to change. In addition, the Liquidation Analysis was completed before the deadline for filing claims against the Debtors' Estates, and the Debtors have therefore neither fully evaluated Claims filed against the Debtors or adjudicated such Claims before the Bankruptcy Court. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE VALUES REFLECTED IN THE LIQUIDATION ANALYSIS WOULD BE REALIZED IF THE COMPANY WERE, IN FACT, TO UNDERGO SUCH A LIQUIDATION, ACTUAL RESULTS COULD VARY MATERIALLY AND ADVERSELY FROM THOSE CONTAINED HEREIN, AND THE AMOUNT OF FINAL ALLOWED CLAIMS AGAINST THE DEBTORS' ESTATES MAY DIFFER FROM THE CLAIM AMOUNTS USED IN THIS LIQUIDATION ANALYSIS.

This Liquidation Analysis was developed solely for purposes of the Disclosure Statement and Plan and to enable the Holders of Claims entitled to vote on the Plan to make an informed judgment about the restructuring and Plan. It should not be used or relied on for any other purpose, including the purchase or sale of securities of, or claims or interests in, the Debtors.

Nothing contained in this hypothetical liquidation analysis is intended to be or constitutes an admission of the Debtors.

Specific Notes to the Liquidation Analysis

[A] Cash & Cash Equivalents: The cash balance is the projected unrestricted balance of cash as of the Liquidation Date, and includes projected amounts funded into the Professional Fee Escrow Account (which will be used to pay Professional Fee Carve-Out Claims described in footnote K below). A 100% recovery on cash has been estimated for the low and high scenarios.

[B] Accounts Receivable: Accounts Receivable balances were evaluated by receivable type. Receivables from Amazon, as well as trade receivables from other sales channels, were assigned an 85% to 90% recovery. Amazon receivables related to amounts held back by Amazon were assigned a 0% to 5% recovery under the assumption that those amounts would be difficult to collect in a liquidation scenario. On a blended basis, a 66% to 71% recovery has been estimated for these accounts receivable.

[C] Inventory: A 35% to 50% recovery has been estimated for the gross projected inventory balance as of the Liquidation Date.

- The Debtors assumed that approximately 120 days of inventory could be sold through Amazon at a 20% to 30% retail discount during the 90-day Liquidation Period.
- For the remaining inventory, the Debtors assumed that (a) 85% of it is liquidated at 10-15% of cost; and (b) the remainder (9% of gross inventory) is disposed (with a disposal cost of $0.60-$0.80 per unit).

[D] Prepaid Expenses: Prepaid Expenses consists of prepaid items that will likely be largely unrecoverable in the event of a liquidation including supplier prepayments, prepaid IT, marketing, insurance and other expenses that are amortized over the applicable period. These items have been examined individually and recoveries were deemed to largely be limited to prepaid insurance premiums following the 3-month Chapter 11 orderly Liquidation Period. On a blended basis, a 3% to 7% recovery has been estimated for these prepaid amounts.

[E] Other Current Assets: Other current assets includes projected VAT tax refund claims, accrued VAT tax refunds and cash collateral in support of a credit obligation as the Liquidation Date. VAT Tax refund claims were assumed to have a 100% recovery. Accrued VAT tax refunds were assumed to have a 20% to 40% recovery, based on inventory assumed to be sold to customers. Cash collateral in support of credit obligations was not assumed to be recoverable. On a blended basis, a 33% to 43% recovery has been estimated for the low and high scenarios.

[F] Property, Plant and Equipment: The net book value of PP&E consists of leasehold improvements, computer equipment, FF&E, computer software, and construction in progress. These items have been examined individually and recoveries were largely deemed be limited to computer equipment and FF&E. In total, the implied recovery of PP&E relative to net book value is 1% to 2%.

[G] Other intangible assets: Based on a review of the Debtors' intangible assets, the brand intellectual property was deemed to have value. The value of the Debtors' brand intellectual property was estimated based on actual trade name transactions that resulted from the liquidations of other brands as well as recent trends. The value of the Debtors' brand intellectual property was estimated to be valued at $17 million to $37 million, net of broker fees. It is assumed that trade names and other intellectual property, including copyrights, patents and customer lists would be included in the transaction(s). On a blended basis, the recovery is approximately 5% to 12% of net book value.

[H] Other Non-Current Assets: Other Non-Current Assets primarily consists of the Debtors' equity investment in Lifelong, the Debtors' equity investment in Quartile (through non-Debtor subsidiary Thrasio Ventures), debt issuance costs, deferred tax assets, a Note Receivable due from Lifelong, and prepaid vendor amounts and royalties. These items have been examined individually and the Debtors' equity investment in Lifelong, the Debtors' equity investment in Quartile (through non-Debtor subsidiary Thrasio Ventures) and the Debtors' Note Receivable due from Lifelong were deemed to have value. On a blended basis, a 38% to 84% recovery has been estimated for the low and high scenarios.

[I] Operating lease right-of-use assets, net: No value has been assigned to the value of the Debtors' Operating Leases in a liquidation.

[J] Liquidation Adjustments: Liquidation Adjustments include estate wind down costs associated with a 3-month orderly liquidation in Chapter 11 and a 3-month wind down in Chapter 7. Estate wind down costs over the 6-month period include the following: (a) inventory storage, transportation, marketing and disposal costs, estimated at $38 to $45 million; (b) payroll and severance, estimated at $23 to $28 million; (c) professional fees, estimated at $14 to $21 million; and (d) IT costs, estimated at $4 to $6 million. Chapter 7 Trustee fees are estimated at between 0.5% to 1.0% of gross distributable proceeds, recognizing that when the Chapter 7 Trustee would be appointed following the 3-month orderly liquidation, the estate's assets would largely consist of cash.

[K] Professional Fee Carve-Out Claims: These claims represent an estimate as of the Liquidation Date for the total Professional Fee Carve-Out Claims. No provision for success fees has been included in this amount. The Debtors estimate a 100% recovery on these claims.

[L] DIP Facility Claims: These claims represent the projected DIP Facility Claims as of the Liquidation Date, including accrued and unpaid interest and fees. The Debtors estimate a 21% to 46% recovery on these claims.

[M] First Lien Claims: These claims represent the aggregate RCF and Term Loan Claims as of the Liquidation Date. The Debtors estimate a 0% recovery on these claims.

[N] Chapter 11 Administrative Expense & Priority Claims: These claims include projected unpaid 503(b)(9) administrative claims, post-petition administrative expense claims and priority unsecured claims as of the Liquidation Date. The Debtors estimate a 0% recovery on these claims.

[O] General Unsecured Claims: These claims represent the estimated general unsecured claims that will be unpaid as of the Liquidation Date, excluding deficiency claims. The Debtors estimate a 0% recovery on these claims.

[P] Common & Preferred Stock Interests: These claims represent all Common & Preferred Stock Interests. The Debtors estimate a 0% recovery on these claims.

THRASIO HOLDINGS INC.
HYPOTHETICAL LIQUIDATION ANALYSIS & CLAIMS RECOVERIES
$USD IN MILLIONS

Illustrative Liquidation Analysis

			Estimated Recovery Value		*Estimated Recovery %*	
	Footnotes	Book Value	Low	High	Low	High
Current Assets						
Cash and cash equivalents	[A]	60	60	60	100%	100%
Receivables, net	[B]	23	15	16	66%	71%
Inventory	[C]	203	72	102	35%	50%
Prepaid expenses	[D]	33	1	2	3%	7%
Other current assets	[E]	25	8	11	33%	43%
Total Current Assets		**344**	**156**	**191**	**45%**	**55%**
Non-Current Assets						
Property and equipment, net	[F]	15	0.2	0.3	1%	2%
Other intangible assets, net	[G]	311	17	37	5%	12%
Other non-current assets	[H]	23	9	20	38%	84%
Operating lease right-of-use assets, net	[I]	18	-	-	0%	0%
Total Non-Current Assets		**368**	**26**	**57**	**7%**	**15%**
Total Assets & Recovery Estimate		**712**	**182**	**247**	**26%**	**35%**

		Liquidation Adjustment ($)		% of Total Recoveries	
Liquidation Adjustments		Low	High	Low	High
Estate Wind-down Costs		(78)	(65)	43%	26%
Professional Fees		(21)	(14)	12%	6%
Chapter 7 Trustee Fees		(2)	(1)	1.0%	0.5%
Total Liquidation Adjustments	[J]	**(101)**	**(80)**	**56%**	**32%**
Net Proceeds Available for Distribution to Creditors		**81**	**167**		

Illustrative Claims Recovery

			Estimated Recovery Value		*Estimated Recovery %*	
	Footnotes	Claim Amt	Low	High	Low	High
Net Proceeds Available for Distribution to Creditors			**81**	**167**		
Professional Fee Carve-Out Claims	[K]	7	(7)	(7)	100%	100%
Remaining Amount Available for Distribution			**73**	**160**		
DIP Facility Claims	[L]	347	(73)	(160)	21%	46%
Remaining Amount Available for Distribution			-	-		
First Lien Claims	[M]	585	-	-	0%	0%
Remaining Amount Available for Distribution			-	-		
Chapter 11 Administrative Expense & Priority Claims	[N]	30	-	-	0%	0%
Remaining Amount Available for Distribution			-	-		
General Unsecured Claims	[O]	61	-	-	0%	0%
Remaining Amount Available for Distribution			-	-		
Common & Preferred Stock Interests	[P]	-	-	-	0%	0%
Remaining Liquidation Proceeds Available for Distribution			-	-		