

### Business Description

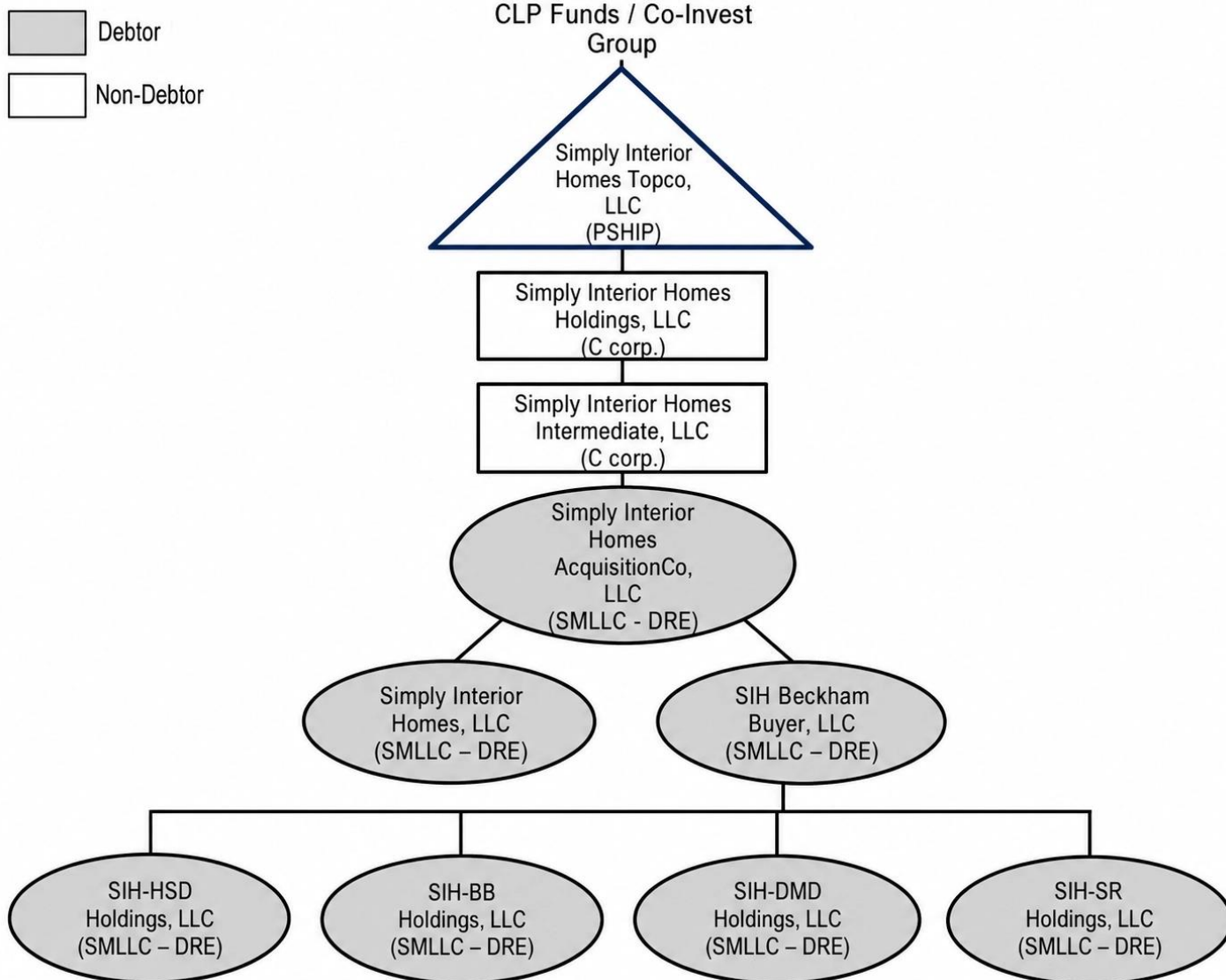
- Headquartered in Rock Hill, South Carolina, Simply Interior Homes, LLC ("SIH"), along with its Debtor<sup>(1)</sup> affiliates (collectively, the "Debtors" or the "Company"), is a designer, sourcer, and wholesale supplier of home textile and décor “soft goods” — fashion bedding, window treatments, bath products, and furniture and décor (slipcovers, rugs, and floor coverings) — to major U.S. retail channels.
  - Retail channels served include department stores, off-price retailers, e-commerce retailers, and home centers
- The Company operates an asset-light, B2B model, functioning as a wholesale supplier and sourcing partner rather than a vertically integrated manufacturer or brick-and-mortar retailer.
  - Its value lies in customer programs, design and development capabilities, brand rights, and vendor relationships — not in owned production facilities or a retail footprint

1) Simply Interior Homes and certain affiliates filed for Chapter 11 protection on June 8, 2026 (the "Petition Date") in the U.S. Bankruptcy Court for the District of Delaware, reporting approximately \$100 million to \$500 million in both assets and liabilities. For a complete list of Debtor entities, see organizational structure chart below.

### Corporate History

- The Debtors were formed through the carve-out of the soft goods business division from Keeco, LLC, one of North America's largest home textile suppliers and a portfolio company of Centre Lane Partners (“CLP”).
  - Keeco operated through two segments: (1) utility bedding, such as pillows, comforters, and mattress pads; and (2) soft goods, including blankets, sheets, comforters, quilts, throws, duvets, decorative pillows, bed-in-a-bags, and blackout and decorative window and shower curtains (collectively, “Soft Goods”)
- Over approximately five years, CLP scaled Keeco through a series of acquisitions focused on utility bedding; in doing so, those acquisitions also added non-core Soft Goods categories that were not synergistic with the manufacturing-focused utility bedding platform.
- The 2025 Carve-Out:
  - In early 2025, CLP sponsored the separation of the Soft Goods division from Keeco into the standalone Debtors through a two-step structure
  - Step one: with Keeco's term loan facility in default, the Collateral Agent conducted a partial strict foreclosure under Article 9 of the UCC over certain Soft Goods collateral, which was transferred to CLP-designated transferees and ultimately vested in Debtor SIH (f/k/a Soft Goods Operating, LLC)
  - Step two: the carve-out was completed through a Membership Interest Purchase Agreement (the “MIPA”) among Simply Interior Homes AcquisitionCo, LLC (f/k/a Soft Goods, LLC), as purchaser; Live Comfortably Borrower LLC (f/k/a Keeco Borrower LLC), as seller; and SIH, as the company — with the majority of the cash purchase price used to satisfy certain subordinated notes issued by SIH in connection with the foreclosure
    - Originally expected to close in late October 2024, the transaction closed roughly four months late, on February 21, 2025
- Concurrently, Keeco rebranded as “Live Comfortably” to focus exclusively on core utility bedding.
  - The Debtors launched as an independent company with their own management, but CLP and its affiliates remained the indirect sole owner and effective decision-maker
  - The Debtors continued to depend on Live Comfortably for many essential services, formalized in a Transition Services Agreement (the “TSA”) and ancillary agreements executed at closing

# Corporate Organizational Structure



## Brand Portfolio and Business Model

- The Debtors' business model encompasses private label manufacturing, licensed brand development, and retail merchandising support, anchored by a licensed and proprietary brand portfolio:
  - Eclipse — window treatments built on light-blocking, noise-reducing blackout curtain solutions, carried at Walmart, HomeGoods, Amazon, and other major retailers
  - Hookless — bath products built on patented hook-free shower-curtain technology, carried at Lowe's, Home Depot, and other home improvement and mass merchant channels
  - Historic Charleston — a licensed bedding collection inspired by classic decorative arts
  - Kate Spade Home bath accessories — a premium licensed brand

## Workforce and Global Sourcing

- As of the Petition Date, the Debtors employ approximately 27 employees across their principal office in Rock Hill, South Carolina, and their showroom and sourcing locations.
- The Debtors rely heavily on international sourcing and manufacturing partnerships, maintaining relationships with manufacturers and suppliers in India, Pakistan, China, and Vietnam, among other countries.
  - This overseas sourcing infrastructure enables the Debtors to manage tariff impacts, maintain production flexibility, and achieve speed-to-market delivery for their retail partners
- In the ordinary course of business, the Debtors rely on third-party logistics providers and freight carriers to ensure the timely transport and delivery of home textiles and home décor products to their retail partners and distribution centers.

### Transition Services Agreement with Live Comfortably

- At closing on February 21, 2025, the Debtors entered into a Transition Services Agreement (the “TSA”) with Live Comfortably, under which Live Comfortably assumed responsibility for virtually every back-office function the Debtors needed to operate — IT infrastructure, accounting, payroll, logistics, and sales support.
  - The TSA had been negotiated by CLP and Live Comfortably in 2024, before the Debtors' own management team had been hired, and the CRO Declaration notes that CLP appears to have effectively directed Live Comfortably's performance under the agreement throughout its term
- That dependency quickly became a liability. Lacking independent IT systems at formation and delayed in updating their legal name with the IRS, the Debtors could not establish independent vendor accounts with major customers, forcing customer payments to flow through Live Comfortably's bank accounts well into 2026.
  - Between January and May 2026, over 75% of the Debtors' collections — ranging from \$300,000 to \$1.5 million per week — landed in Live Comfortably's accounts rather than the Debtors'
  - The CRO alleges that Live Comfortably, acting under CLP's direction, routinely delayed remitting those funds despite repeated demands; as of June 7, 2026, \$311,000 received during the week of May 31 remained unremitted
- The TSA also carried trailing annual charges exceeding \$2.7 million, a notable burden for a company already operating under significant liquidity constraints.
  - As the relationship deteriorated, Live Comfortably, under CLP's direction, threatened to terminate the TSA and discontinue the critical services provided thereunder — which the CRO identifies as a contributing factor in the Debtors' decision to commence these Chapter 11 Cases

# Prepetition Obligations

## Debtors' Prepetition Obligations

USD in Millions

As of June 08, 2026

Debt Instrument	Agent / Lender	Rate	Maturity	Borrowers	Guarantors / Obligors	Security	Amount Outstanding
<b>Funded Debt:</b>							
<b>Prepetition Credit Facility</b> <i>(\$30 million)</i>	Great Rock Capital Partners Management, LLC (Agent), GRC SPV Investments, LLC (Lender), Wingspire Capital LLC (Lender)	Not specified	02/21/2029	Simply Interior Homes AcquisitionCo, LLC, Simply Interior Homes, LLC <sup>(1)</sup>	Not specified	First lien on substantially all assets of the Debtors	\$ 17.9 <sup>(2)(3)</sup>
<b>Second-Lien Subordinated Sponsor Note</b> <sup>(4)</sup>	Centre Lane Partners IV, L.P. (Noteholder) <sup>(5)</sup>	Not specified <sup>(6)</sup>	08/21/2029	The Debtors	Not specified	Second lien on substantially all assets of the Debtors	70.0 <sup>(7)</sup>
<b>Unsecured Subordinated Sponsor Note</b> <i>(\$15.0 million)</i>	11th Lane Holdings SG, LLC (Noteholder) <sup>(5)</sup>	Not specified <sup>(6)</sup>	09/19/2028	The Debtors	Not specified	Unsecured	
<b>Total Funded Debt</b>							\$ 87.9
<b>Other Obligations:</b>							
<b>Unsecured Liabilities</b>	Various	Not specified	Not specified	The Debtors	Not specified	Unsecured	12.0 <sup>(8)(9)</sup>
<b>Total Other Obligations</b>							\$ 12.0
<b>Total Debt</b>							\$ 99.9

1) Simply Interior Homes Immediate, LLC (f/k/a Soft Goods Intermediate, LLC) as Holdings.

2) Amount outstanding as of the Petition Date is not less than \$17.9 million, excluding accrued but unpaid interest, fees, including commitment termination fees and expenses

3) The Prepetition Credit Facility has been in continuous default. From June 2025 through April 2026 the Administrative Agent delivered multiple notices of default and events of default under the Credit Agreement, and the Debtors' borrowing base was in an overadvance position leaving no availability. Since December 2025 the Prepetition Lenders have funded critical obligations (payroll, lease payments, vendor payments, and 3PL payments) in their permitted discretion notwithstanding the defaults. On April 27, 2026, the Administrative Agent delivered a Notice of Exercise of Proxy Rights under the Security Agreement, removing Holdings as sole member of AcquisitionCo and appointing Stuart Kaufman (Managing Director, Arete Capital Partners, LLC) as Independent Manager with sole and exclusive decision-making authority.

4) The First Day Declaration listed the principal amount of the second lien note as \$13.8 million, while the DIP stated the principal amount as \$8.8 million.

5) Subordinated Sponsor Noteholders are affiliates of the sponsor, Centre Lane Partners.

6) Interest on the Subordinate Sponsor Notes are PIK, additional details not disclosed.

7) As of the Petition Date, the Debtors' aggregate obligations under the Subordinated Sponsor Notes are approximately \$70 million. Individual amount outstanding for each tranche of note was not disclosed.

8) Quantified amount reflects ~\$12 million of aged trade payables owed to non-go-forward vendors. Additional unsecured liabilities — go-forward trade payables (scope still being assessed), disputed amounts under the TSA, office/showroom/facility lease obligations, and employee-related obligations — are not yet quantified and will be detailed in the Schedules of Assets and Liabilities and SOFA.

9) Unsecured liabilities also include a disputed ~\$5.1 million Transition Services Agreement (TSA) claim asserted by affiliate Live Comfortably, which delivered a formal notice of breach on April 28, 2026 and reserved the right to terminate the TSA. The Debtors dispute the amount and have demanded a full reconciliation of all amounts due to and from the parties, including 'wrong-pockets' customer remittances Live Comfortably collected on the Debtors' behalf and setoffs Live Comfortably applied. Threatened termination of the TSA would also likely trigger an event of default under the Prepetition Credit Facility.

# Top Unsecured Claims

## 30 Largest Unsecured Creditors

USD in Thousands

As of June 08, 2026

	Creditor	Nature of Claims	Amount of Claim		Creditor	Nature of Claims	Amount of Claim
1	Sigma Vietnam Industrial Co., Ltd	TRADE	\$ 3,010.3	16	Welspun Global Brands Limited	TRADE	314.4
2	Nantong Farady Textile Co Ltd	TRADE	2,877.4	17	Yantai Pacific Home Fashion Co., Ltd.	TRADE	305.4
3	Zhenjiang Deli Textile Products Co Ltd	TRADE	2,824.3	18	Huizhou Huiyang District Guangdi Industrial Co., Ltd	TRADE	250.5
4	Osaley Home Fashions Co., Ltd - Samoa	TRADE	2,656.2	19	SVM Global	TRADE	187.8
5	Orient International Holding Shanghai Foreign Trade Co., Ltd	TRADE	1,987.2	20	Nantong Well Textile Science and Technology Co. Ltd	TRADE	126.1
6	United Linens Limited	TRADE	1,685.7	21	FedEx	TRADE	122.4
7	Qingdao Brilliantex Co. Ltd	TRADE	992.3	22	Blake, Cassels & Graydon LLP	TRADE	121.8
8	ITS Logistics	TRADE	656.2	23	Laufer Group International Ltd.	TRADE	116.3
9	Kapoor Industries Limited	TRADE	638.1	24	GDR Home Fashions Pvt. Ltd	TRADE	115.2
10	Jones Day	TRADE	597.6	25	Mohan Spintex India Limited	TRADE	84.2
11	Jiangsu Skymade Textile Technology Co., Ltd	TRADE	579.9	26	Crowe LLP	TRADE	78.8
12	U.S. Customs	TRADE	512.1	27	Zhejiang Yuanzheng Fabric Art Co., Ltd	TRADE	65.6
13	Faze Three Limited	TRADE	381.6	28	Circana	TRADE	64.2
14	All Strong Industry USA Inc	TRADE	358.6	29	Sun Dragon Logistics Inc	TRADE	63.7
15	All Blinds Co., Ltd.	TRADE	326.3	30	Huazhen Logistics Inc.	TRADE	59.2
<b>30 Largest Unsecured Claims</b>							<b>\$ 22,159.4</b>

### A Chain of Compounding Failures

### Undercapitalized Opening Balance Sheet and Pre-Formation Revenue Strip

- The Debtors attribute the filing to a chain of compounding failures — an undercapitalized launch, inherited operational deficiencies and lost customer programs, an escalating dispute with affiliate Live Comfortably under the TSA, the collapse of multiple sponsor-led recapitalization efforts, and reciprocal-tariff margin pressure.
  - The Debtors have signaled they intend to investigate sponsor CLP's role throughout the cases
  
- CLP projected that the carve-out business would open — on the original late-October 2024 timeline — with approximately \$5 million of cash and \$49 million of finished-goods inventory at closing, and would generate substantial first-year sales and EBITDA in 2025, projections on which the Debtors' prospective lenders relied.
  
- Actual conditions diverged sharply. To bridge the closing delay, CLP pre-funded the purchase price and released inventory, enabling its other portfolio company, Live Comfortably, to recognize approximately \$21 million of Soft Goods revenue in January and February 2025 — before the Debtors were even formed.
  - The Debtors opened instead with no cash, only approximately \$27 million of inventory (of which approximately \$22 million was excess and obsolete), and approximately \$32 million of assumed accounts payable against a projected \$25 million — payables that included those pre-formation sales
  - Newly hired management was required to immediately revise the 2025 revenue plan, cutting it from \$185 million to \$86 million

## Events Leading to Bankruptcy (cont'd)

### Operational Deficiencies

- In fiscal year 2025, the Debtors generated approximately \$84.7 million in gross revenue and \$3.4 million in Adjusted EBITDA — both substantially below projections — driven largely by poor customer service levels and an inadequate inventory mix inherited from Keeco.
  - On the first day of operations, fill rates were approximately 30–40% across most product categories, well below the 95%-plus levels expected by retail partners, resulting in the loss of material sales programs with certain major customers, including Wal-Mart
- A comprehensive sales and operations improvement process rebounded fill rates to over 90% by the fourth quarter of 2025, but the damage to customer relationships was already done — certain programs were never recommenced, permanently impairing the Debtors' revenue base.
- Liquidity constraints compounded the deterioration on the vendor side, as the Debtors fell behind on supplier payments — due in part to Live Comfortably's failure to remit receivables collected under the TSA — prompting vendors to demand cash-in-advance or prepayment terms or to reduce or eliminate trade credit.
  - By the Petition Date, the Debtors had gone more than twelve weeks without making material payments to suppliers, prompting customs brokers and service providers to hold inventory at ports and in transit, and causing the majority of the supplier base — including key overseas manufacturing partners — to suspend shipments altogether

### Tariffs Impact

- Reciprocal tariffs that took effect on April 15, 2025, further compressed the Debtors' already strained margins.
- Despite management's requests for capital to address the impact, CLP provided limited financial support and directed the Debtors to forgo passing tariff cost increases through to customers, on the expectation that CLP would secure a tariff exemption.
  - That exemption never materialized, and the compounding tariff burden continued to erode the Debtors' financial position throughout the second half of 2025 and into 2026

### Refinancing Efforts

- Over the course of 2025 and into 2026, the Debtors and their stakeholders pursued multiple out-of-court alternatives to address the deteriorating financial condition, none of which produced a sustainable solution.
- In early 2026, CLP advised the Debtors and the Prepetition Lenders that it planned to acquire a new business and roll it into the Debtors' existing operations on an accelerated timeline, aiming to provide additional liquidity through the combined business and incremental term financing availability.
  - To facilitate the transaction, CLP formed five new entities — SIH Beckham Buyer, LLC and its subsidiaries SIH-HSD Holdings, LLC, SIH-BB Holdings, LLC, SIH-DMD Holdings, LLC, and SIH-SR Holdings, LLC — all of which are named Debtors in these Chapter 11 Cases despite never having commenced operations
- The transaction ultimately could not close due to the unavailability of financing; its failure consumed significant resources, eliminated the Debtors' remaining path to recapitalization, and left no viable out-of-court restructuring option, which CLP declined to remedy through additional financing or capital support.
  - With no alternatives remaining, the Debtors and their restructuring advisor, Reflect, evaluated all remaining options, ultimately leading to the commencement of these Chapter 11 Cases

### The TSA Dispute with Live Comfortably

- On April 28, 2026, Live Comfortably delivered a formal notice of breach asserting approximately \$5.1 million in unpaid TSA charges and reserving the right to terminate and suspend services.
  - The Debtors dispute the figure and have demanded a full reconciliation — including a complete accounting of all historical wrong-pockets payments and setoffs — contending that Live Comfortably, at CLP's direction, improperly applied customer cash belonging to the estate against amounts it claims are owed under the TSA
- The dispute is effectively two-sided: the Debtors carry the ~\$5.1 million only as a disputed liability, against which they assert an offsetting intercompany receivable for customer remittances Live Comfortably collected but never credited — an amount that could offset a material portion of Live Comfortably's demand once a full reconciliation is completed, leaving open whether the Debtors are ultimately a net debtor or net creditor.
- Because substantially all of the Debtors' core back-office functions remain housed within the TSA, a termination would be potentially catastrophic to operations and would likely trigger an event of default under the Prepetition Credit Facility.
  - The Debtors have expressly demanded that Live Comfortably continue performing all of its TSA obligations while simultaneously directing CLP to cease engaging the Debtors' customers, vendors, and lenders on the Debtors' behalf

### The ABL Default and Proxy Exercise

- From June 2025 through April 2026, the Administrative Agent delivered multiple notices of default and events of default under the Prepetition Credit Facility, as the Debtors' borrowing base fell into an overadvance position that left no available financing.
  - Beginning in December 2025, the Prepetition Lenders stepped in to fund critical obligations — including payroll, lease payments, vendor payments, and third-party logistics costs — on a discretionary basis notwithstanding the ongoing defaults
- On April 27, 2026, after CLP repeatedly refused to provide requested liquidity and capital support, the Administrative Agent delivered a Notice of Exercise of Proxy Rights under the Security Agreement, removing Holdings as sole member of AcquisitionCo and appointing Stuart Kaufman, Managing Director of Arete Capital Partners, LLC, as Independent Manager of AcquisitionCo with sole and exclusive decision-making authority.
- The newly constituted management, acting through Goodwin Procter LLP as replacement counsel, directed CLP and its affiliates, including Live Comfortably, to immediately cease engaging the Debtors' customers, vendors, and lenders and to cooperate fully in transitioning control of the business.
  - The Prepetition Lenders continued limited discretionary funding for critical obligations post-Proxy Exercise, but it proved insufficient to satisfy outstanding vendor obligations or sustain operations through the Petition Date

### Determination to File and the Dual-Track Path Forward

- Facing unfundable liquidity needs, a disputed but operationally indispensable TSA, damaged supplier relationships, and existing defaults under the Prepetition Credit Facility, the Debtors determined that a value-maximizing sale and liquidation process represented the best available path forward for their estates and stakeholders.
- The structure is explicitly dual-track:
  - SB360 Capital Partners, selected from a field of four firms, was engaged as liquidation consultant to conduct an orderly liquidation of the Debtors' on-hand and in-transit inventory, accounts receivable, and FF&E
  - This runs in parallel with a going-concern sale and marketing process led by investment banker Rock Creek Advisors; any assets sold through the Rock Creek process are removed from the liquidation, with the two workstreams operating simultaneously to maximize blended recovery

### DIP Financing

- The Debtors secured a superpriority revolving \$15.0 million DIP facility — of which \$5.0 million is new-money — provided by the same Great Rock/Wingspire lender group that holds the prepetition debt, a structure that is effectively lender-controlled and loan-to-own-adjacent in character.
  - The facility includes a \$10.0 million roll-up tranche at a 3:1 ratio, converting only on the first \$3,333,333 of new money drawn — meaning the full \$10.0 million roll-up completes after the Debtors access just \$3.3 million of new cash
  - Pricing is Adjusted Term SOFR plus 7.50% cash pay, with a 0.75% unused-line fee, a \$5,000 per month collateral monitoring fee, and a \$100,000 PIK closing fee (equal to 2.00% of the new-money commitment); the facility matures September 30, 2026
  - The Carve-Out comprises \$25,000 for a Chapter 7 trustee and a \$200,000 post-trigger professional-fee cap, and proceeds fund the dual-track going-concern sale and liquidation process
- While the Debtors stipulate to the validity of the prepetition debt and grant broad releases, those releases run exclusively to the Prepetition and DIP Secured Parties — Great Rock and Wingspire — in their capacities as such.
  - CLP and Live Comfortably are expressly outside the release perimeter, and any party with standing retains the right to file a Challenge within 75 days of entry of the Interim Order, preserving the estate's avoidance, recharacterization, and affiliate-liability claims against the sponsor
- The sale timeline is compressed and hard-wired to the DIP facility. With no stalking horse identified at filing, the Debtors are targeting a bid deadline of July 27, an auction on July 30, a sale hearing on August 6, and a closing by August 13.
  - These milestones run inside a liquidating Chapter 11 plan that contemplates a Plan and Disclosure Statement by July 22, confirmation around September 18, and a DIP maturity of September 30; the plan contemplates the establishment of both a Liquidating Trust and a Litigation Trust upon confirmation