IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
WEST MARINE, INC., *et al.*,[1]	)	Case No. 26-10794 (KBO)
Debtors.	)	(Jointly Administered)
	)	**Re: Docket Nos. 46 & 47**

NOTICE OF FILING OF (I) LIQUIDATION ANALYSIS AND (II) FINANCIAL PROJECTIONS AS EXHIBITS TO THE DISCLOSURE STATEMENT FOR THE JOINT PLAN OF REORGANIZATION OF WEST MARINE, INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE TAKE NOTICE that, on May 18, 2026, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed the (i) *Joint Plan of Reorganization of West Marine, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 46] (as may be amended, modified, or supplemented from time to time, the "Plan") and (ii) *Disclosure Statement for the Joint Plan of Reorganization of West Marine, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 47] (as may be amended, modified, or supplemented from time to time, the "Disclosure Statement")[2] with the United States Bankruptcy Court for the District of Delaware.

PLEASE TAKE FURTHER NOTICE that the Debtors hereby file (i) the liquidation analysis (the "Liquidation Analysis"), which is Exhibit D to the Disclosure Statement, attached

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: West Marine, Inc. (5502); Marine One Holdco, LLC (2231); Marine One Parent, Inc. (0402); Rising Tide Holdings Inc. (2628); Rising Tide Parent Inc. (6153); Seascapes, Inc. (3739); W Marine Management Company, Inc. (4151); and West Marine Products, Inc. (4523). For purposes of these chapter 11 cases, the Debtors' service address is West Marine Headquarters, 1 East Broward Blvd., Suite 200, Fort Lauderdale, FL 33301.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan or Disclosure Statement, as applicable.

hereto as **Exhibit 1** and (ii) the financial projections (the "Financial Projections"), which is Exhibit E to the Disclosure Statement, attached hereto as **Exhibit 2**.

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. To the extent that the Plan, the Disclosure Statement, the Liquidation Analysis, or the Financial Projections are revised, the Debtors will file a revised copy at such time.

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 Debtors' case website at https://www.veritaglobal.net/westmarine. You may also obtain copies of any pleadings by visiting the Court's website at https://www.deb.uscourts.gov in accordance with the procedures and fees set forth therein.

PLEASE TAKE FURTHER NOTICE that the hearing to consider conditional approval of the Disclosure Statement is scheduled for **June 18, 2026, at 1:00 p.m., prevailing Eastern Time**, before the Honorable Karen B. Owens, Chief United States Bankruptcy Court Judge for the District of Delaware, 824 N. Market Street, 6th Floor, Courtroom No. 3, Wilmington, Delaware 19801.

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Dated: June 5, 2026
Wilmington, Delaware

/s/ Michael R. Nestor

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EXHIBIT 1

Liquidation Analysis

Liquidation Analysis

I. INTRODUCTION

Section 1129(a)(7)(A)(i)–(ii) of the Bankruptcy Code, often called the "best interests" test, requires that "[w]ith respect to each impaired class of claims or interests each holder of a claim or interest of such class (i) has accepted the plan; or (ii) will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of this title on such date."

The Debtors, with assistance from their advisors, have prepared the following hypothetical liquidation analysis (the "Liquidation Analysis") in connection with the Plan and Disclosure Statement.[1] The Liquidation Analysis is based on certain assumptions in the Disclosure Statement and in the accompanying notes to the Liquidation Analysis. The values discussed in the Liquidation Analysis may be different from amounts referred to in the Plan, which does not contemplate a liquidation.

The Liquidation Analysis shows the estimated recoveries that may be obtained by each Class of Claims or Interests assuming a hypothetical liquidation under chapter 7 of the Bankruptcy Code. As illustrated by the Liquidation Analysis, Holders of Claims in certain Unimpaired Classes that would receive a full recovery under the Plan would receive less than a full recovery in a hypothetical liquidation under chapter 7 of the Bankruptcy Code. Additionally, Holders of Claims or Interests in Impaired Classes would receive a recovery on account of their Claims or Interests in a hypothetical liquidation under chapter 7 of the Bankruptcy Code that is no better than the recovery they would receive on account of their Claims or Interests under the Plan. Furthermore, no Holder of a Claim or Interest would receive or retain property on account of their Claim or Interest under the Plan of a value that is less than such Holder would receive on account of such Claim or Interest in a hypothetical chapter 7 liquidation. Accordingly, as described in greater detail below, the Plan satisfies the "best interests" test set forth in section 1129(a)(7)(A)(i)–(ii) of the Bankruptcy Code.

II. PRESENTATION

This Liquidation Analysis was prepared on a consolidated basis as Debtor West Marine Products, Inc. holds the majority of the assets and liabilities of the Debtors and records all operational activity. This Liquidation Analysis assumes that each of the Chapter 11 Cases is converted to a case under chapter 7 and consolidated during the chapter 7 cases for procedural purposes only. This Liquidation Analysis presents estimated chapter 7 liquidation proceeds based on assumptions and estimates relating to the proceeds to be received from the liquidation of the assets, less the costs incurred during the liquidation. In the event that the Debtors were to be liquidated in separately administered chapter 7 cases, the administrative costs to the Debtors in

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[1] Unless otherwise specified, capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *Disclosure Statement for the Joint Plan of Reorganization of West Marine, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 47] (as may be amended, supplemented, or modified from time to Time, the "Disclosure Statement") or the *Joint Plan of Reorganization of West Marine, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 46] (as amended, supplemented, or modified from time to time, the "Plan"), as applicable.

each of the chapter 7 cases, including professional fees, chapter 7 trustee fees, and operational costs would likely be higher than if the cases were consolidated.

This Liquidation Analysis presents a range of estimated liquidation proceeds and recoveries for Holders of Allowed Claims, representing assumptions and estimates relating to the proceeds to be received from the hypothetical chapter 7 liquidation of the Debtors' assets, less the costs incurred during the liquidation. In many instances, a recovery range is provided to represent a range of assumptions and estimates. As a result of the forced nature of such liquidation, recoveries could be further depressed relative to the analysis herein.

In preparing this Liquidation Analysis, the Debtors estimated Allowed Claims as of June 26, 2026 (the "Conversion Date") based on a review of their books and records. This Liquidation Analysis also includes estimates for claims which could be asserted and allowed in a chapter 7 liquidation, including administrative claims, wind-down costs (as detailed herein), and the fees and expenses of the chapter 7 trustee. To date, the Bankruptcy Court has not estimated or otherwise fixed the total amount of Allowed Claims.

The cessation of business in a liquidation is likely to trigger certain Claims that otherwise would not exist under the Plan absent a liquidation. Examples of these kinds of Claims include various potential employee Claims (including any pursuant to the WARN Act), litigation, and Claims related to rejection of executory contracts and unexpired leases, in addition to other potential Claims. Some of these Claims could be significant and might be entitled to priority in payment over General Unsecured Claims. Those priority Claims would be paid before any liquidation proceeds would be made available to pay General Unsecured Claims. This analysis does not include comprehensive estimates for the federal, state, or local tax consequences, if any, that may be triggered upon the liquidation and sale of assets in the manner described above. Such tax consequences, if any, could be material. This analysis does not include recoveries from the pursuit of any Causes of Action, the proceeds of which are assumed to be the same under both a chapter 7 and a chapter 11 scenario.

The Debtors' estimates of Allowed Claims set forth in this Liquidation Analysis should not be relied upon for any purpose other than considering the estimated distributions under a hypothetical chapter 7 liquidation. Nothing contained in this Liquidation Analysis is intended to be or constitutes a concession or admission by the Debtors or their Estates. The actual amount of allowed claims in these Chapter 11 Cases could materially differ from the estimated amounts set forth in this Liquidation Analysis, and the ultimate allocation of distributions may vary depending on, among other things, the priority or secured status of creditors.

III. OVERVIEW AND SIGNIFICANT ASSUMPTIONS

The Liquidation Analysis assumes that the Debtors' hypothetical chapter 7 liquidation would commence on or about the Conversion Date, which is the end of the Debtors' fiscal June month. The analysis assumes a liquidation would commence under the direction of a chapter 7 trustee and would continue for a period of approximately eight (8) months, during which time all of the assets of the Debtors' estates would be sold or otherwise liquidated, and the Net Estimated Liquidation Proceeds (net of liquidation-related costs), together with cash on hand, would then be distributed to Holders of Claims and Interests in accordance with the priority scheme established under the Bankruptcy Code. The Debtors would expect the chapter 7 trustee to retain professionals

to assist in the liquidation of their estates. All operations except for those required to execute the liquidation are assumed to cease to minimize costs associated with the chapter 7 wind down and liquidation. For the purposes of the Liquidation Analysis, the Debtors and their advisors have attempted to ascribe value to each of the assets as they would be liquidated by a chapter 7 trustee.

Summary Notes to the Liquidation Analysis

1. *Dependence on assumptions.* The Liquidation Analysis is based on a number of estimates and assumptions that, although developed and considered reasonable by the Debtors and their advisors, are inherently subject to significant economic, business, regulatory, and competitive uncertainties and contingencies beyond the control of the Debtors. Accordingly, there can be no assurance that the values reflected in this Liquidation Analysis would be realized if the Debtors were, in fact, to undergo such a liquidation and actual results could vary materially from those contained herein.

2. *Dependence on an unaudited balance sheet.* Where noted, certain estimates in the Liquidation Analysis are dependent on the Debtors' preliminary unaudited consolidated balance sheet as of April 24, 2026 (the "April Balance Sheet"), which are assumed to be representative of certain asset and liability classes as of the Conversion Date.

3. *Dependence on projected asset and liability balances.* Where noted, certain estimates in the Liquidation Analysis are dependent on the Debtors' projected asset and liability classes as of the Conversion Date.

4. *Claims estimates.* Claims are estimated as of the Conversion Date and remain subject to change pending completion of a Claims reconciliation process. The claims amount used is indicative, but the actual claims amount will vary and may increase materially based on final claims reconciliations, the inclusion of amounts for claims currently not included since they are contingent, unliquidated or disputed, and any additional claims arising out of the rejection of certain executory contracts and unexpired leases.

5. *Waterfall distribution assumption*: In accordance with the Prepetition Credit Documents (as defined in the Cash Collateral Order), the Intercreditor Agreement, and the Cash Collateral Order, any remaining value from the liquidation of the Debtors' assets would be first distributed (after satisfaction of certain wind-down costs and other senior expenses detailed herein) to the applicable Prepetition Agent for distribution in accordance with their respective rights and priorities, including, where applicable, to first satisfy Claims on account of the Prepetition ABL Facility, then Claims on account of Prepetition FILO Facility, followed by Claims on account of the Term Loan Facility; provided that in certain instances, certain remaining value from the liquidation of the Debtors' assets would first be used to satisfy Claims on account of the Term Loan Facility, prior to satisfying Claims on account of the Prepetition ABL Facility and Prepetition FILO Facility.

IV. CONCLUSION

As summarized in the following analysis, confirmation of the Plan will provide creditors with a recovery on account of their Claims or Interests that is not less than what they would otherwise receive on account of their Claims or Interests in connection with a liquidation of the

Debtors under Chapter 7 of the Bankruptcy Code. Accordingly, the Debtors believe that the Plan satisfies the requirement of section 1129(a)(7) of the Bankruptcy Code.

[*Liquidation Analysis follows*]

West Marine, Inc. et. al.
Liquidation Analysis
($ in 000s)

Liquidation Proceeds	Note	Estimated Balance	Low Recovery Range ($)	Low Recovery Range (%)	High Recovery Range ($)	High Recovery Range (%)
Cash and cash equivalents	(1)	$ 20,000	$ 20,000	100.0%	$ 20,000	100.0%
Receivables, net	(2)	8,212	5,749	70.0%	7,391	90.0%
Credit Card Receivables	(3)	9,678	8,710	90.0%	9,194	95.0%
Inventory, net	(4)	192,819	145,951	75.7%	156,957	81.4%
Prepaid Expenses and Other Current Assets	(5)	17,012	225	1.3%	592	3.5%
Property, plant and equipment, net	(6)	26,680	744	2.8%	1,534	5.7%
Intangible Assets	(7)	83,020	-	0.0%	25,000	30.1%
Right of Use Assets	(8)	146,808	1,400	1.0%	5,600	3.8%
Other Long-Term Assets	(9)	4,143	716	17.3%	716	17.3%
Total Liquidation Proceeds		**$ 508,372**	**$ 183,495**	**36.1%**	**$ 226,983**	**44.6%**
Additional Operating Costs						
Unpaid AP Balance for Critical Service Providers	(10)		$ 2,785	n/a	$ 2,785	n/a
Wage/Benefit Arrearages	(11)		4,631	n/a	4,631	n/a
WARN	(12)		5,174	n/a	3,104	n/a
Corporate Costs During Bankruptcy	(13)		358	n/a	358	n/a
PTO for Eligible Employees	(14)		1,587	n/a	1,587	n/a
Taxes (Income Tax & Sales Tax)	(15)		-	n/a	-	n/a
Total Additional Operating Costs			**$ 14,534**		**$ 12,465**	
Bankruptcy Administration Costs						
Chapter 7 Trustee Fees	(16)		$ 5,528		$ 6,833	
Professional Fees / Court Fees	(17)		6,000		4,000	
Total Bankruptcy Administration Costs			**$ 11,528**		**$ 10,833**	
Net Estimated Liquidation Proceeds			**$ 157,432**		**$ 203,686**	
Claim Recoveries Waterfall						
Net Estimated Liquidation Proceeds		Claims (Low Rec.) Claims (High Rec.)	**$ 157,432**		**$ 203,686**	
ABL[1]	(18)	$ 98,394 $ 98,394	98,394	100.0%	98,394	100.0%
FILO[1]	(19)	61,434 61,434	59,038	96.1%	61,434	100.0%
Term Loan	(20)	259,605 259,605	-	0.0%	43,858	16.9%
Chapter 11 Administrative Expenses	(21)	- -	-	0.0%	-	0.0%
General Unsecured Claims	(22)	427,000 390,747	-	0.0%	-	0.0%
Memo: General Unsecured Claims Detail						
General Unsecured Claims (Other)		*$ 165,000 $ 175,000*				
FILO Deficiency Claim		*2,395 -*				
Term Loan Deficiency Claim		*259,605 215,747*				
Total General Unsecured Claims		*$ 427,000 $ 390,747*				

[1] *ABL and FILO balances exclude interest that may accrue and be owed after the Conversion Date. FILO claim includes $6.8M make whole claim.*

See accompanying notes to the Liquidation Analysis

Notes To Liquidation Analysis

I. LIQUIDATION PROCEEDS

1. *Cash*. The forecasted balance of cash on hand and bank deposits as of the Conversion Date is based on the projected book balance as of the end of fiscal June 2026 (June 26, 2026). All cash balances are assumed to be one hundred percent (100%) recoverable.

2. *Receivables.* Accounts receivable primarily consist of trade receivables from the Debtors' professional, wholesale customers for sales of services or goods on credit. It is assumed that, in the event of a chapter 7 liquidation of the Debtors' estates, the trustee would retain certain existing staff from the Debtors and utilize existing collections software to collect the outstanding accounts receivable. The Debtors believe that, in the event of liquidation, the Debtors would be able to recover approximately 70–90% of the outstanding receivables (net of allowance for doubtful accounts) which assumes increased commercial disputes and unwillingness of certain customers to pay once they learn the Debtors are liquidating.

3. *Credit Card Receivables*. Credit card receivables reflect the estimated amount of receivables owed by credit card merchants as of the Conversion Date, where credit card transactions typically take 1-3 days to settle and transfer into the Debtors' accounts. The Debtors estimate that they would be able to recover approximately 90–95% of the outstanding amounts of these receivables, which assumes an increase in chargebacks or disputes once certain customers learn the Debtors are liquidating, and to account for any final fees that may be owed to credit card merchants upon closing of accounts.

4. *Inventory.* Inventory reflects the book value of the Debtors' projected merchandise inventory on hand or in transit (with title having passed to the Debtors) as of the Conversion Date. The estimated net proceeds range for liquidating the Debtors' inventory is primarily based on preliminary estimates provided by the Debtors' inventory liquidation agent. These net proceeds have been reduced for assumed continued operating costs for the Debtors' stores, distribution centers, website and treasury or other necessary corporate functions during the liquidation period. These operating costs include occupancy, wages and benefits, credit card fees, shipping fees, and other operating expenses. Additionally, inventory proceeds have been reduced for additional costs necessary to liquidate the inventory, including going out of business advertising, as well as liquidation agent supervisory and fees earned as inventory is liquidated.

5. *Prepaid Expenses and Other Current Assets.* This balance sheet category primarily includes vendor rebates, prepaid expenses, prepaid real property taxes, prepaid supplies and prepaid insurance amounts. Estimated recovery amounts are based upon April Balance Sheet and assume 100% recovery for freight claim receivables, 0-25% recovery for Prepaid Insurance and 0-10% recovery for Prepaid Supplies. All other amounts are assumed to be not recoverable and offset against prepetition claims.

6. *Property, Plant, and Equipment.* The Debtors lease all of their real property and vehicles. This balance sheet category primarily includes the book value of furniture, fixtures and equipment ("FF&E"), and leasehold improvements. The estimated recovery values are

based on an estimated sale value of FF&E by the Debtors' liquidation agent, reduced for the agent's liquidation fee.

7. *Intangible Assets.* This balance sheet category reflects the book value of intangible assets carried on the Debtors' books. The estimated recovery range is based upon the estimated value of the Debtors' trademarks, customer lists, and domain names based on discussions with the Debtors' liquidation agent, but does not reflect a formal valuation or bids received.

8. *Right of Use Assets.* This balance sheet category reflects the accounting for the Debtors' real property operating leases on their books. The estimated recovery range is based upon an initial potential estimate from a real estate broker firm for select leases that may have assignment value to another party, net of any sales fee.

9. *Other Long-Term Assets*. This balance sheet category primarily includes the accounting for the Debtors' real property finance leases on their books. It also includes miscellaneous deposits. Recovery assumes 100% recovery for utility deposits including the adequate assurance utility deposit funded after filing.

II. ADDITIONAL OPERATING COSTS

10. *Unpaid AP Balance for Critical Service Providers*. This category accounts for the accrued but unpaid post-petition accounts payable balances owed to freight and utilities providers at the Conversion Date. The assumed balance is based on the April Balance Sheet (which is assumed to be representative of the liability at the Conversion Date) and assumes 100% of the amounts owed to these critical service providers must be paid in order to effectuate the liquidation.

11. *Wage/Benefit Arrearages*. This balance sheet category includes owed wages and benefits for all employees, withholdings (payroll tax, 401k, medical), and garnishments. The assumed balance is based on the Debtors' April Balance Sheet (which is assumed to be representative of the liability at the Conversion Date) and assumes 100% of the amounts owed will be paid.

12. *WARN*. This operating cost assumes WARN payments will be owed for employees. The assumed balance reflects approximately two months of salary for employees assumed not carried forward during the liquidation period and assumes 75-125% of this calculated amount is paid, which depends on federal and state law.

13. *Corporate Costs During Liquidation*. This cost is for retaining management during the liquidation period. The assumed balance reflects approximately one month of salary and benefit costs for C-Suite/Senior Executives, where it is assumed these executives will either stay full-time for one month (or switch to 25% of time over four months) to assist the chapter 7 trustee with the liquidation and wind down.

14. *PTO for Eligible Employees*. This balance sheet category reflects PTO owed to eligible employees. PTO owed will depend on state requirements and accrued liability at the Conversion Date. The assumed balance is based on the April Balance Sheet and assumes recovery of 50%.

15. *Taxes (Income Tax & State Sales Tax)*. Prior to filing, the Debtors were assumed to not be in a net tax payable situation due to NOLs at the federal and state level and this analysis assumes no taxes are owed upon the liquidation of assets. Sales tax collected by the Debtors and corresponding sales tax liability are excluded from this analysis as it is assumed that sales taxes collected will be remitted to the tax authorities and not made available to other creditors. Proceeds from liquidation are presented net of sales tax.

III. BANKRUPTCY ADMINISTRATION COSTS

16. *Chapter 7 Trustee Fees.* Per statutory guidelines, the chapter 7 trustee is eligible to receive compensation based on the gross proceeds available for distribution to interested parties. The Liquidation Analysis assumes a chapter 7 trustee fee of approximately 3% of gross proceeds available for distribution (calculated pursuant to Section 326(a) of the Bankruptcy Code). U.S. Trustee Fees accrued during the chapter 11 proceedings are assumed to have been paid prior to the Conversion Date.

17. *Chapter 7 Professional Fees*. It is assumed that the chapter 7 trustee would hire certain professionals to assist with the management and liquidation of the Estate. Other professional fees are estimated to range from $4 million to $6 million assuming an eight-month case duration.

IV. CLAIM RECOVERIES WATERFALL

18. *Prepetition ABL Claims Recovery.* These claims represent the aggregate principal and unpaid accrued interest and fees under the Prepetition ABL Facility as of the Conversion Date. The estimated Prepetition ABL Claims as of the Conversion Date are approximately $98,394,000. Based on the assumptions in this analysis, the Prepetition ABL Claims are projected to have a 100% recovery.

19. *Prepetition FILO Claims Recovery.* These claims represent the aggregate principal and unpaid accrued interest and fees under the Prepetition FILO Facility (including any make-whole or MOIC amounts). The estimated Prepetition FILO Claims as of the Conversion Date are approximately $61,434,000. Based on the assumptions in this analysis, the Prepetition FILO Claims are projected to have between a 96.1% and 100% recovery.

20. *Term Loan Claims Recovery.* These claims represent the aggregate principal and unpaid accrued interest and fees under the Term Loan Facility. The estimated Term Loans Claims as of the Conversion Date are approximately $259,605,000. Based on the assumptions in this analysis, the Term Loan Claims are projected to have between a 0% and 16.9% recovery.

21. *Chapter 11 Administrative Expenses.* Prior to amounts available for satisfaction of unsecured claims, proceeds from asset liquidation would need to satisfy any accrued, unpaid, administrative expenses from these Chapter 11 cases. No additional amounts have been estimated for this category of expenses, other than the estimated accrued wages, benefits, and select accrued liabilities accounted for in the Additional Operating Costs section of the Liquidation Analysis; *provided* that the Debtors may accrue additional

post-petition administrative liabilities that may remain unpaid as of the Conversion Date such as gift cards sold post-petition.

22. *General Unsecured Claims.* An indicative range has been included for General Unsecured Claims, however, the ultimate amount of unsecured claims asserted is not known and may vary materially from these estimates. The unsecured claims range estimate is based on the Debtors estimated known accounts payable and related accruals (including unpaid rent) as of the Petition Date, plus an estimate for all real property lease rejection damages, plus estimated prepetition unused gift card claims, minus an estimate for amounts to be paid under First Day Motions prior to the Conversion Date. The remaining deficiency claim estimate from the secured debt has been added to this amount. Notably, no estimates have been included for any non-real estate contract rejection damages, or any contingent, disputed, or unliquidated claims (including pending litigation) such that the actual unsecured claims amount in an actual conversion to Chapter 7 may be higher than the estimates shown. Based on the assumptions in this analysis, the general unsecured creditors are projected to have 0% recovery for their claims.

EXHIBIT 2

Financial Projections

FINANCIAL PROJECTIONS

Introduction to Financial Projections

As a condition to Confirmation, the Bankruptcy Code requires, among other things, the Bankruptcy Court to find that entry of a Confirmation Order is not likely to be followed by either a liquidation or the need to further reorganize the Debtors or any successor to the Debtors. In accordance with this condition and in order to assist each Holder of a Claim in determining whether to vote to accept or reject the Plan, the Debtors, with the assistance of their advisors, developed these financial projections (the "Financial Projections") to support the feasibility of the Plan.[1] The Debtors believe that the Plan meets the feasibility requirements set forth in section 1129(a)(11) of the Bankruptcy Code, as Confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Debtors or any successor under the Plan.

The Financial Projections were prepared by the Debtors, with the assistance of their advisors, and are based on a number of assumptions made by the Debtors with respect to the future performance of the Debtors' operations, assuming the Plan is consummated. The Financial Projections were also based on available information, including information that has not been independently verified. The Financial Projections present, to the best of the Debtors' knowledge and belief, the Reorganized Debtors' projected results of operations and cash flows for the Projection Period. The Financial Projections should be read in conjunction with the assumptions and qualifications contained herein and as set out in the Disclosure Statement. Although the Debtors are of the opinion that the Financial Projections are reasonable under current circumstances, the Financial Projections are subject to inherent uncertainties, including, but not limited to:

- The Reorganized Debtors' ability to generate sufficient cash to service debt, if any, issued as of the Effective Date;
- The loss of key personnel;
- Increased competition from providers of products similar to those of the Debtors;
- The Reorganized Debtors' ability to retain or attract customers;
- Inclement weather in key markets in which the Reorganized Debtors will conduct business adversely affecting customer spending;
- Volatility in the Reorganized Debtors' business operations from the cyclical nature of the boating and fishing retail industry;
- The impact of economic conditions outside of the Reorganized Debtors' control, such as tariffs or employment, and any corresponding impact on discretionary consumer spending habits;

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[1] Capitalized terms used but not otherwise defined herein have the meanings set forth in the *Disclosure Statement for the Joint Plan of Reorganization of West Marine, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 47] (as may be amended, modified, or supplemented from time to time and including all exhibits thereto, the "Disclosure Statement"), to which these Financial Projections are attached as Exhibit E, or in the *Joint Plan of Reorganization of West Marine, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 46] (the "Plan").

- Changes in interest rates;
- Changes in accounting standards;
- Regulatory changes and judicial rulings impacting the cost, manner, or feasibility of the Reorganized Debtors' businesses;
- Adverse results from litigation, whether initiated prior or subsequent to the Effective Date;
- The Reorganized Debtors' ability to maintain relationships with suppliers and third-party vendors;
- Other events beyond the control of the Reorganized Debtors that may result in unexpected adverse operating results;
- The possibility that the Bankruptcy Court does not confirm the Plan, or requires a re-solicitation of votes;
- Any delays to the Effective Date; and
- The risks related to other parties objecting to the Plan and the resulting cost and expense of delays in these Chapter 11 Cases.

The likelihood, and related financial impact, of a change in any of these factors cannot be predicted with certainty. Consequently, actual financial results could differ materially from the Financial Projections.

The risk factors associated with the Plan are described more fully in Article VIII of the Disclosure Statement.

THE FINANCIAL PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN THE UNITED STATES ("U.S. GAAP"), OTHER GUIDELINES ESTABLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, OR ANY OTHER PUBLISHED GUIDELINES OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC"). FURTHERMORE, THE FINANCIAL PROJECTIONS HAVE NOT BEEN AUDITED OR REVIEWED BY AN INDEPENDENT AUDITOR. THE FINANCIAL PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE BASED UPON A VARIETY OF ESTIMATES AND ASSUMPTIONS WHICH MAY NOT BE REALIZED AND ARE SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES WHICH ARE RECOGNIZED BY THE DEBTORS TO BE BEYOND THEIR CONTROL TO FULLY ASSESS. CONSEQUENTLY, THE FINANCIAL PROJECTIONS SHOULD NOT BE REGARDED AS A REPRESENTATION OR WARRANTY BY THE DEBTORS, OR ANY OTHER PERSON, AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS OR THAT THE FINANCIAL PROJECTIONS WILL BE REALIZED BY THE REORGANIZED DEBTORS FOLLOWING THE EFFECTIVE DATE. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE PRESENTED IN THE FINANCIAL PROJECTIONS. HOLDERS OF CLAIMS OR INTERESTS MUST MAKE THEIR OWN ASSESSMENT AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE FINANCIAL PROJECTIONS IN MAKING THEIR DETERMINATION OF WHETHER TO ACCEPT OR REJECT THE PLAN.

The Debtors do not intend to and disclaim any obligation to: (1) furnish updated Financial Projections to Holders of Claims or Interests prior to the Effective Date or to any other party after the Effective Date, except as required by the Plan or (2) otherwise make such updated information publicly available.

THE DEBTORS BELIEVE THAT CONFIRMATION OF THE PLAN IS NOT LIKELY TO BE FOLLOWED BY THE LIQUIDATION OR FURTHER REORGANIZATION OF THE REORGANIZED DEBTORS. ACCORDINGLY, THE DEBTORS BELIEVE THAT THE PLAN SATISFIES THE FEASIBILITY REQUIREMENT OF SECTION 1129(A)(11) OF THE BANKRUPTCY CODE.

Safe Harbor Under the Private Securities Litigation Reform Act of 1995

The Financial Projections and the assumptions the Debtors believe to be significant to the Financial Projections contain certain statement that may be deemed "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements in these projections include the intent, belief, or current expectations of the Debtors with respect to the timing of, completion of, and scope of the current restructuring, the Plan, the Debtors' strategic business plan, proposed exit financing, and the Debtors' future liquidity, as well as the assumptions upon which such statements are based. When used in the Financial Projections, or the assumptions, the words "anticipate," "believe," "project," "estimate," "will," "may," "intend," "strategy," "future," "opportunity," "plan," "pipeline," "expect," "target," "model," "can," "could," "should," "would" or similar expressions should be generally identified as forward-looking statements.

The Debtors' assumptions used for this analysis reflect a steady state of growth for the business after executing the changes in the Debtors' business through the restructuring and normalizing 2027 operations. The Debtors expect that additional growth and other strategic initiatives will eventually be incorporated in future year plans, but the execution of such initiatives has not been included as it would only improve feasibility from these baseline projections.

While the Debtors believe that the plans, intentions, and expectations reflected in the forward-looking statements are based upon reasonable assumptions within the bounds of their knowledge of their business and operations, parties-in-interest are cautioned that any such forward-looking statements are not guarantees of future performance, involve significant risks, uncertainties, and assumptions, and that actual results may differ materially and adversely from those expressed or implied by such forward-looking statements. All forward-looking statements attributable to the Debtors or Persons or Entities acting on their behalf are expressly qualified in their entirety by the cautionary statements set forth herein. Forward-looking statements speak only as of the date on which they are made.

Select Assumptions of the Financial Projections

The Financial Projections are based on, but not limited to, factors such as industry performance, general business, economic, competitive, regulatory, market, and financial conditions, as well as the

assumptions detailed below. Many of these factors and assumptions are beyond the control of the Debtors and do not take into account the uncertainty and disruptions of business that may accompany an in-court restructuring. Accordingly, the assumptions should be reviewed in conjunction with a review of the risk factors set forth in the Disclosure Statement.

- **Methodology:** In light of the form of distributions contemplated by the Plan (*i.e.*, Cash or New Equity Interests), the Financial Projections were developed on a consolidated basis rather than on a legal entity basis. The Financial Projections were developed by the Debtors with the assistance of their advisors and are presented solely for purposes of the formulation and negotiation of the Plan in order to present the anticipated impact of the Plan. No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness, or reliability of the information, opinions, or conclusions expressed herein.

- **Effective Date:** 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 August 20, 2026 (the "Effective Date").

- **Projection Period:** The Debtors prepared the Financial Projections based on, among other things, the anticipated future financial condition and results of operations of the Reorganized Debtors and the terms of the Plan. The Debtors prepared consolidated Financial Projections of the Debtors for the fiscal quarter ending on or about December 31, 2026, and the fiscal years ending on or about December 31, 2027, through December 31, 2029. The Financial Projections are through the year in which the Exit Term Loan Facility matures, where the terms of the replacement facilities and/or changed capital structure are unknown at this time.

- **Exit ABL Facility:** Assumes the Prepetition ABL Facility is refinanced as of the Effective Date with terms consistent with the Exit ABL Facility.

- **Exit Term Loan Facility:** Assumes the Exit Term Loan Facility is entered into on the Effective Date, with an aggregate principal commitment equal to the sum of (a) the Allowed amount of Prepetition FILO Claims and (b) $10 million (plus a 30% in-kind commitment premium) in New-Money Exit Term Loans.

- **Other Assumptions:** The Financial Projections also assume that: (1) there will be no material change in legislation or regulations, or the administration thereof, that will have an unexpected effect on the operations of the Debtors; (2) there will be no change in generally accepted accounting principles in the United States that will have a material effect on the reported financial results of the Debtors; (3) the potential application of fresh start accounting will not materially change the Debtors' accounting procedures; and (4) there will be no material contingent, unliquidated or indemnity claims applicable to the Debtors.

THE INDEPENDENT AUDITOR FOR THE DEBTORS HAS NOT EXAMINED, COMPILED OR OTHERWISE PERFORMED ANY PROCEDURES ON THE FOLLOWING PROSPECTIVE FINANCIAL INFORMATION, AND CONSEQUENTLY, DOES NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE WITH RESPECT TO THE PROSPECTIVE FINANCIAL INFORMATION.

West Marine, Inc. et. al.
Income Statement
($ in 000s)

		FCST 4Q26	FCST FY27	FCST FY28	FCST FY29
Income Statement	**Note**				
Net Revenue	(1)	$ 102,822	$ 511,983	$ 529,903	$ 548,450
Cost of Sales	(2)	64,013	306,718	317,453	328,564
Gross Profit		38,809	205,266	212,450	219,886
Gross Margin		***37.7%***	***40.1%***	***40.1%***	***40.1%***
Operating Expenses	(3)	42,559	174,326	177,220	180,167
EBITDA	(4)	**(3,751)**	**30,940**	**35,230**	**39,719**
P&L Rent to Cash Rent Adjustment	(5)	158	1,088	1,126	1,166
Other One-Time Expenses	(6)	2,000	5,000	2,000	2,070
Depreciation	(7)	1,292	5,329	5,515	5,708
Amortization	(8)	-	-	-	-
EBIT		**(7,200)**	**19,523**	**26,589**	**30,775**
Cash Interest	(9)	674	2,977	2,422	2,114
Non-Cash Interest / Fees	(10)	6,159	29,623	40,079	53,980
Other Exit ABL Fees	(11)	175	716	704	700
EBT		**(14,208)**	**(13,792)**	**(16,615)**	**(26,019)**
Taxes	(12)	-	2,586	3,928	4,540
Net Income		**$ (14,208)**	**$ (16,378)**	**$ (20,544)**	**$ (30,559)**

Free Cash Flow					
EBITDA		**$ (3,751)**	**$ 30,940**	**$ 35,230**	**$ 39,719**
(-) Capex	(13)	(898)	(3,592)	(3,718)	(3,848)
(+/-) Taxes		-	(2,586)	(3,928)	(4,540)
(+/-) Changes in Working Capital	(14)	3,741	4,170	195	(3,021)
(-) Other One-Time Expenses		(2,000)	(5,000)	(2,000)	(2,070)
(-) P&L Rent to Cash Rent Adjustment		(158)	(1,088)	(1,126)	(1,166)
Unlevered Free Cash Flow		**(3,065)**	**22,844**	**24,652**	**25,074**
(-) Cash Interest		(674)	(2,977)	(2,422)	(2,114)
(-) Other Exit ABL Fees		(175)	(716)	(704)	(700)
(+/-) ABL Draw (Pay Down)		3,914	(4,934)	-	-
Levered Free Cash Flow		**$ -**	**$ 14,218**	**$ 21,527**	**$ 22,260**

West Marine, Inc. et. al.
Balance Sheet
($ in 000s)

	FCST 4Q26	FCST FY27	FCST FY28	FCST FY29
Cash	$ 8,000	$ 22,218	$ 43,745	$ 66,005
Other Receivables	9,420	8,158	7,873	8,905
Receivables, net	4,699	3,889	4,031	4,178
Inventory	145,280	157,893	158,288	161,920
Prepaids & Other Current Assets	19,063	18,939	19,099	19,264
Current Assets	**186,461**	**211,096**	**233,035**	**260,271**
Property, Plant and Equipment	77,850	81,443	85,161	89,009
Accumulated Depreciation	(51,941)	(57,270)	(62,785)	(68,493)
Accumulated Amortization	(101,722)	(101,722)	(101,722)	(101,722)
Intangible Assets	184,742	184,742	184,742	184,742
Right of Use Assets	146,808	146,808	146,808	146,808
Other Long-Term Assets	4,143	4,143	4,143	4,143
Total Assets	**446,341**	**469,240**	**489,382**	**514,757**
ABL / Exit ABL	29,934	25,000	25,000	25,000
Accounts Payable	20,743	35,878	35,712	36,725
Operating Lease Liabilities	45,082	45,082	45,082	45,082
Accrued & Other Current Liabilities	45,803	45,256	46,029	46,970
Current Liabilities	**141,561**	**151,215**	**151,822**	**153,776**
FILO / Exit Term Loan	70,424	95,097	128,521	173,549
Exit New Money Term Loan	14,350	19,299	25,954	34,906
Long Term Operating Lease Liabilities	111,766	111,766	111,766	111,766
Other Long Term Liabilities	6,276	6,276	6,276	6,276
Total Liabilities	**344,376**	**383,654**	**424,339**	**480,274**
Additional Paid in Capital	330,119	330,119	330,119	330,119
Retained Earnings	(228,155)	(244,533)	(265,077)	(295,636)
Total Equity	**101,964**	**85,586**	**65,042**	**34,483**
Total Liabilities & Equity	**$ 446,341**	**$ 469,240**	**$ 489,382**	**$ 514,757**

West Marine, Inc. et. al.
Cash Flow Statement
($ in 000s)

	FCST 4Q26	FCST FY27	FCST FY28	FCST FY29
Net Income (Loss)	**$ (14,208)**	**$ (16,378)**	**$ (20,544)**	**$ (30,559)**
Depreciation	1,292	5,329	5,515	5,708
Amortization	-	-	-	-
PIK Interest	6,159	29,623	40,079	53,980
Change in Working Capital	3,741	4,170	195	(3,021)
Net cash provided (used) by operating activities	**(3,016)**	**22,744**	**25,245**	**26,108**
Purchases of property and equipment	(898)	(3,592)	(3,718)	(3,848)
Net cash provided by (used in) investing activities	**(898)**	**(3,592)**	**(3,718)**	**(3,848)**
Borrowing / (Payments) on ABL	3,914	(4,934)	-	-
Net cash provided by (used in) financing activities	**3,914**	**(4,934)**	**-**	**-**
Net increase (decrease) in cash	**$ -**	**$ 14,218**	**$ 21,527**	**$ 22,260**
Beginning Cash	8,000	8,000	22,218	43,745
Ending Cash	**$ 8,000**	**$ 22,218**	**$ 43,745**	**$ 66,005**
ABL Availability	29,376	40,811	41,870	44,003
Total Liquidity	**$ 37,376**	**$ 63,029**	**$ 85,615**	**$ 110,007**

NOTES TO FINANCIAL PROJECTIONS

General Assumptions

The Financial Projections are based on a number of assumptions with respect to the future performance of the Company's operations assuming the Plan is consummated.

The Debtors have projected financial performance for approximately three years following the assumed Effective Date, aligning with the expected maturity dates of the Exit Term Loan.

Note 1 – Net Revenue

The Debtors anticipate being able to grow revenue by at least 3.5% year-over-year (including the impact of inflation) starting in 2028 through price increases and other initiatives. The Financial Projections reflect 3.5% growth and do not assume increased investment in marketing or store format nor do they assume any increased store count.

Note 2 – Cost of Sales

Despite the Debtors' continual efforts to optimize product mix and negotiate more favorable pricing with their merchandise vendors, the Financial Projections assume Cost of Sales will also increase 3.5% year-over-year starting in 2028, resulting in no additional improvement in gross margin after 2027.

Note 3 – Operating Expenses

Operating expenses include HR costs (wages and benefits), building expenses (rent and other occupancy costs), advertising & promotion expenses, and other general operating expenses. Without any assumed increase in number of stores or significant increase in product volume, and with the Debtors' continuing efforts to find opportunities to operate more efficiently and reduce any unnecessary spend, the Debtors anticipate that it will be able to limit growth in operating expenses to 1.5% year-over-year starting in 2028.

Note 4 – EBITDA

EBITDA represents earnings before interest, taxes, depreciation and amortization without adjustments permitted by the Debtors' lenders or the Debtors.

Note 5 – P&L to Cash Rent Adjustment

This line item reflects the difference between the annual cash rent costs and rent expense included in the building expense line of the P&L. Real estate lease assets (right-of-use) and liabilities are kept flat on the balance sheet so as to have cash rent expense flow entirely through the income statement. This amount is projected to increase by 3.5% year-over-year starting in 2028.

Note 6 – Other One-Time Expenses

This line item reflects a contingency amount for expenses not expected to be recurring (e.g. post-emergence accounting, one time consulting, advisory, or legal work) or unanticipated expenditures that may arise during the projection period. As a contingency, these amounts are not based on specific known or planned spending. The contingency amount included in the financials for 2027 is $5 million, which is reduced to $2 million in 2028 based on the assumption that the Debtors would incur more one-time expenditures in the year following the restructuring as operations transform before normalizing. One-time costs are assumed to increase by 3.5% in 2029.

Note 7 – Depreciation

The Financial Projections assume depreciation will increase 3.5% year-over year starting in 2028 to offset 3.5% in assumed capex growth year-over-year.

Note 8 – Amortization

While the Debtors' tax advisors are currently reviewing whether the Debtors' intangibles will be impaired or written off at emergence, these projections have assumed that intangible amortization will not continue post-Effective Date. Since this is a non-cash charge, but could impact taxes, eliminating the intangible amortization is the most conservative assumption.

Note 9 – Cash Interest

Forecasted cash interest amounts are based on the following assumptions:

- Exit ABL Facility: Adjusted Term SOFR plus 4.75%

Note 10 – Non-Cash Interest / Fees

Forecasted non-cash interest / fee amounts are based on the following assumptions:

- FILO Facility converted to Exit Term Loan: MOIC fee of $6.8M capitalized at Effective Date; 30% PIK interest
- New-Money Exit Term Loan: Non-Cash fee of $3M capitalized at Effective Date; 30% PIK interest

Note 11 – Other Exit ABL Fees

Forecasted other Exit ABL fees are based on the following assumptions:

- Unused Commitment Fee: 0.5%
- Collateral Monitoring Fee: 0.05%

Note 12 – Taxes

The Debtors estimate that as of December 27, 2025—the end of their last fiscal year—they had approximately $194.6 million of NOLs—consisting of $96.9 million of federal NOLs and $97.7 million of state NOLs—and $189.6 million of 163(j) Carryforwards. While the Debtors' tax advisors are currently analyzing to what extent these NOLs and Carryforwards may be available after the Effective Date, the Debtors have conservatively assumed that these tax assets will not be available after emergence, that tax deductible intangible amortization will not continue after emergence, and that the deductibility of cash and PIK interest will be limited to 30% of EBITDA each year. The Financial Projections assume a combined effective federal and state tax rate of 25%. Actual tax liabilities may vary significantly from these projections.

Note 13 – Capital Expenditures

Go forward capital expenditures in the Financial Projections as compared to historical spend and prior budgets have been reduced to reflect the reduced number of assumed go forward stores. Capital expenditures are assumed to be purely maintenance capital expenditures and do not include any store remodels or expansion projects, and are assumed to be sufficient to realize the Debtors' nominal projected revenue growth.

Note 14 – Changes in Working Capital

Reflects variations in operational working capital components, including accounts receivable, accounts payable, inventory, accrued expenses, and prepayments.