



Kramer Levin Announces That Parent THI, Inc. and TGHI, Inc. File Consensual Prepackaged Chapter 11 Cases in New York

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NEW YORK--(BUSINESS WIRE)--TGHI, Inc. ("Holdings") and Parent THI, Inc. ("Parent", together with TGHI, the "Holding Companies") today provided additional information concerning the previously announced prepackaged chapter 11 cases that the Holding Companies filed in the United States Bankruptcy Court for the Southern District of New York on February 9, 2016 (the "Prepackaged Chapter 11 Cases") to provide for an orderly wind down of such companies. The Holding Companies were the former direct and ultimate holding companies for the international operations of Targus Group International, Inc. ("TGII"), the global leader in mobile device case and accessories solutions. Neither TGII nor any of its subsidiaries are debtors in the Prepackaged Chapter 11 Cases or any other chapter 11 cases.

The Prepackaged Chapter 11 Cases for the Holding Companies are the culmination of an out-of-court marketing process for, among other entities, TGII and Holdings, facilitated by a forbearance and transaction support agreement entered into in May 2015 (the "TSA") with representatives of certain of the lenders at those entities. The TSA and the plan for the Prepackaged Chapter 11 Cases are supported overwhelmingly by Holdings' creditors, the substantial majority of which also hold unsecured debt claims at Parent. In accordance with the TSA, the Holding Companies undertook a thorough marketing process for the assets and/or stock of TGII and its direct and indirect subsidiaries. This process demonstrated that the fulcrum value did not satisfy all (let alone a meaningful portion) of TGII's secured debt, although the transactions under the TSA did address certain secured debt guaranteed by Holdings. However, with approximately \$61 million of additional unsecured funded debt at the Holding Companies, the Prepackaged Chapter 11 Cases were ultimately commenced to distribute the negotiated consideration made available under the TSA and to effect an orderly wind down and dissolution of the Holding Companies. Because the marketing process demonstrated that Parent's equity in Holdings had no value, there is no distribution available for Parent's unsecured creditors under the prepackaged chapter 11 plan.

The Bankruptcy Court held a first day hearing for the Prepackaged Chapter 11 Cases on February 11, 2016 and has set (1) a bar date to file proofs of claim in the cases for March 18, 2016 and (2) a bar date for governmental proofs of claim in the cases for August 9, 2016. The confirmation hearing for the cases is scheduled for April 1, 2016. For further information about the Prepackaged Chapter 11 Cases, the bar dates or the confirmation schedule, please visit www.kccllc.net/TGHI.

As previously announced, Targus International LLC ("Targus") acquired the operating assets of TGII through a publicly noticed foreclosure process under the Uniform Commercial Code. Targus and its operating assets are not part of the Prepackaged Chapter 11 Cases or any other chapter 11 cases. Targus continues to operate and move forward with new owners and a capital structure that enables it capitalize on its brand equity, global distribution and product development capabilities.

Kramer Levin Naftalis & Frankel LLP and Klestadt Winters Jureller Southard & Stevens, LLP are serving as the Holding Companies' legal advisors.

Contacts

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