



Celsius

Second Day Hearing Presentation

In re Celsius Network LLC, Case No. 22-10964
United States Bankruptcy Court for Southern District of New York
Honorable Judge Martin Glenn
August 16, 2022

Agenda

- **Committee Formation**
- **Progress Since Filing**
- **Cryptocurrency Market Update**
- **Customer Correspondence**
- **Path Forward**

Formation of Committee

- Official Committee of Customers was appointed on July 27.
Committee Members:
 - Caroline G. Warren
 - Thomas DiFiore
 - Scott Duffy for ICB Solutions
 - Christopher Coco
 - Andrew Yoon
 - Mark Robinson
 - Keith Noyes for Covario AG

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/ PERELLA WEINBERG
PARTNERS

Objection Resolutions

- The Debtors and the Committee are committed to working together on a path forward that maximizes value for all stakeholders.
- On August 11, advisors to the Debtors and the Committee and its members held an introductory meeting.
- We believe all Committee objections to second day relief have been resolved. One objection from the U.S. Trustee on the wages motion remains unresolved.
- The Debtors and the Committee plan to meet on August 23 to discuss the Debtors' business plan and restructuring framework.

Progress Since Filing

Key Workstreams Advanced Since Filing

DIP Financing

Soliciting DIP proposals and charting liquidity needs. See Budget and Coin Report [Docket No. 447].

Go-Forward Plan

Celsius and its advisors are preparing a business plan for a standalone reorganization that provides optionality for customer recovery; Celsius has an August 23 meeting with the Committee to discuss.

Engagement with Stakeholders

Debtors have engaged with creditors directly, as well as counsel to the Committee, counsel to the Ad Hoc Group of Custodial Account Holders, and counsel to the Ad Hoc Group of Withhold Account Holders.

Legal Issue Analysis

The Debtors and their advisors are advancing their thinking on the key legal issues in these chapter 11 cases and engaging with the Committee's counsel.

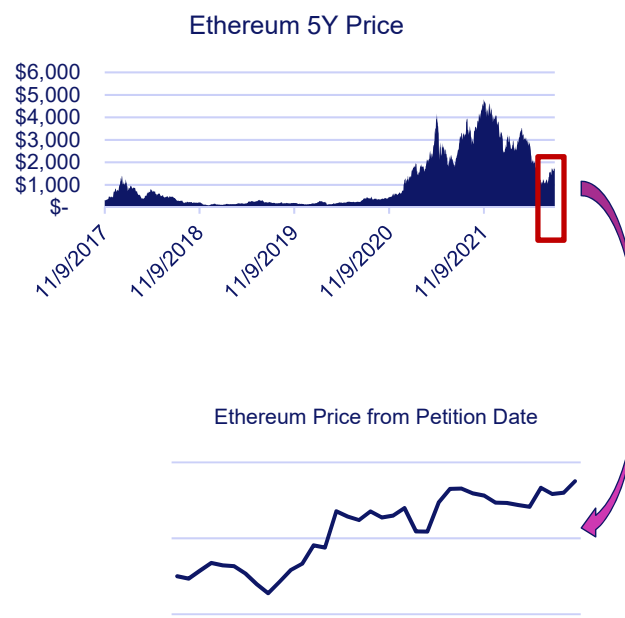
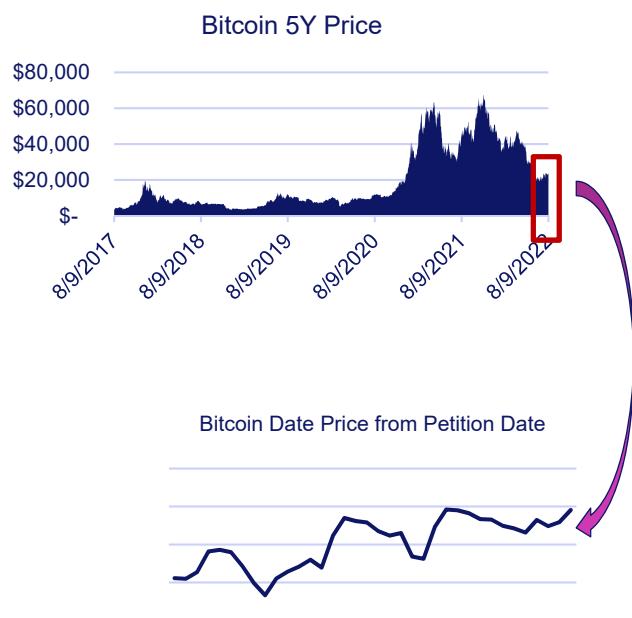
Special Committee & Regulatory Involvement

- Delegated full authority to direct the company's restructuring, including all aspects of its pending Chapter 11 cases.
- Delegated full authority to investigate allegations of misconduct involving the company or its employees, and to take remedial action in connection with such investigation.
- In July, the Special Committee tasked Celsius' outside counsel with conducting an investigation and coordinating with the advisors to the Official Committee of Unsecured Creditors on their investigation.
- While findings or actions by the Special Committee may be disclosed in due course through the Chapter 11 cases, Celsius does not intend to comment on specific allegations, or to comment on or provide interim updates regarding the Special Committee's investigative work at this time.
- Celsius has continued to work cooperatively with US and foreign regulators since the filing to respond to information requests and inquiries made as part of a number of non-public law enforcement investigations.

Cryptocurrency Market Update

Crypto has slightly rebounded since the petition date but is still down from historic prices.

- **BTC** has seen a **25%** increase since the petition date
- **ETH** has seen a **82%** increase since the petition date



Customer Correspondence

Customers have filed over 250 letters on the docket and the Debtors' advisors have responded to hundreds of calls and emails. The common themes can be summarized as follows:

Concern	Response
Customers will lose all of their money in Celsius.	Celsius filed for bankruptcy to protect customer assets. Celsius is working tirelessly to identify the means that will provide the greatest possible recovery to its customers through the restructuring.
Customers should be treated equally.	Similarly situated customers will be treated similarly.
Celsius profits from the restructuring.	Celsius has undertaken significant cost-reduction measures in its short time in bankruptcy. Employee and insider accounts will not receive preferential treatment as compared to other customer accounts. Celsius is not profiting from the restructuring.
Celsius' restructuring process will take years to resolve.	Celsius and its advisors are working to expeditiously complete its restructuring, as a prolonged restructuring does not maximize the estates' value.
Customers may have missed claims process deadlines.	Customers have not missed any claims process deadlines. Celsius will communicate any deadlines in due course.

Path Forward

