
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): December 21, 2020

TUESDAY MORNING CORPORATION

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction of incorporation)

0-19658
(Commission File Number)

75-2398532
(IRS Employer Identification No.)

6250 LBJ Freeway
Dallas, Texas
(Address of principal executive offices)

75240
(Zip Code)

(972) 387-3562
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

As previously disclosed, on May 27, 2020 (the “Petition Date”), the Company and certain of its direct and indirect subsidiaries (collectively with the Company, the “Debtors”) filed voluntary petitions (the “Chapter 11 Cases”) under Chapter 11 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the “Bankruptcy Court”). The Chapter 11 Cases are being administered jointly under the caption “In re: Tuesday Morning Corporation, *et. al.*, Case No. 20-31476-HDH-11.” The Debtors will continue to operate their businesses as “debtors-in-possession” under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

On December 21, 2020, the Debtors filed with the Bankruptcy Court their monthly operating report for the period beginning November 1, 2020 and ending November 30, 2020 (the “Monthly Operating Report”). The Monthly Operating Report is attached hereto as Exhibit 99.1 and is incorporated herein by reference. This Current Report on Form 8-K (including the exhibit hereto) (this “Form 8-K”) will not be deemed an admission as to the materiality of any information disclosed herein.

The Monthly Operating Report and other documents filed with the Bankruptcy Court are available for inspection at <https://dm.epiq11.com/case/tuesdaymorning/info>. Documents and other information available on such website are not part of this Form 8-K and are not deemed to be incorporated by reference in this Form 8-K.

The information furnished in this Item 7.01 of this Current Report on Form 8-K and the Monthly Operating Report attached hereto as Exhibit 99.1 shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section, and shall not be deemed to be incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Cautionary Statement Regarding the Monthly Operating Report

The Company cautions investors and potential investors not to place undue reliance upon the information contained in the Monthly Operating Report, which was not prepared for the purpose of providing the basis for an investment decision relating to any of the securities of the Company. The Monthly Operating Report is limited in scope, covers a limited time period and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Bankruptcy Court. The Monthly Operating Report was not audited or reviewed by independent accountants, was not prepared in accordance with generally accepted accounting principles, is in a format prescribed by applicable bankruptcy laws or rules, and is subject to future adjustment and reconciliation. There can be no assurance that, from the perspective of an investor or potential investor in the Company’s securities, the Monthly Operating Report is complete. Results set forth in the Monthly Operating Report should not be viewed as indicative of future results.

Cautionary Notice Regarding Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the federal securities laws and the Private Securities Litigation Reform Act of 1995, which are based on management's current expectations, estimates and projections. Forward looking statements also include statements regarding the Company's plans with respect to the Chapter 11 Cases, the Company's plan to continue its operations while it works to complete the Chapter 11 process and other statements regarding the Company's proposed reorganization, strategy, future operations, performance and prospects. These forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from the expectations expressed in the Company's forward-looking statements. These risks, uncertainties and events also include, but are not limited to, the following: the Company's ability to obtain timely approval of the Bankruptcy Court with respect to motions filed in the Chapter 11 Cases; pleadings filed that could protract the Chapter 11 Cases; the Bankruptcy Court's rulings in the Chapter 11 Cases, and the outcome of the Chapter 11 Cases generally; the Company's ability to comply with the restrictions imposed by the terms and conditions of the DIP ABL Credit Agreement, including the Company's ability to maintain certain minimum liquidity requirements and file and obtain approval of a plan of reorganization or sale of all of its assets by agreed upon deadlines; the length of time that the Company will operate under Chapter 11 protection and the continued availability of operating capital during the pendency of the Chapter 11 Cases; the Company's ability to continue to operate its business during the pendency of the Chapter 11 Cases; employee attrition and the Company's ability to retain senior management and other key personnel due to the distractions and uncertainties; the effectiveness of the overall restructuring activities pursuant to the Chapter 11 Cases and any additional strategies the Company may employ to address its liquidity and capital resources; the actions and decisions of creditors and other third parties that have an interest in the Chapter 11 Cases; risks associated with third parties seeking and obtaining authority to terminate or shorten the Company's exclusivity period to propose and confirm one or more plans of reorganization, for the appointment of a Chapter 11 trustee or to convert the Chapter 11 proceeding to a Chapter 7 proceeding; increased legal and other professional costs necessary to execute the Company's restructuring; the Company's ability to maintain relationships with suppliers, customers, employees and other third parties as a result of the Chapter 11 Cases; the trading price and volatility of the Company's common stock and the effects of the delisting from The Nasdaq Stock Market; litigation and other risks inherent in a bankruptcy process; the effects and length of the novel coronavirus pandemic; and the other factors listed in the Company's filings with the Securities and Exchange Commission.

Except as may be required by law, the Company disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date on which the statements were made or to reflect the occurrence of unanticipated events. Investors are cautioned not to place undue reliance on any forward-looking statements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

[99.1 Monthly Operating Report](#)

104 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TUESDAY MORNING CORPORATION

Date: December 21, 2020

By: /s/ Bridgett C. Zeterberg
Bridgett C. Zeterberg
Executive Vice President Human Resources,
General Counsel and Corporate Secretary

Monthly Operating Report
CASH BASIS

| | |
|--------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |
| JUDGE: | Harlin DeWayne Hale |

UNITED STATES BANKRUPTCY COURT
 NORTHERN & EASTERN DISTRICTS OF TEXAS
 REGION 6

MONTHLY OPERATING REPORT

MONTH ENDING: November 2020 *Note 1*
 MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (CASH BASIS-1 THROUGH CASH BASIS-6) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:



 ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

EVP, Chief Financial Officer
 TITLE

STACIE SHIRLEY
 PRINTED NAME OF RESPONSIBLE PARTY

December 21, 2020
 DATE

PREPARER:


 ORIGINAL SIGNATURE OF PREPARER

Director - AlixPartners, LLP
 TITLE

JASON MUSKOVICH
 PRINTED NAME OF PREPARER

December 21, 2020
 DATE

Note 1: This report covers the period from November 1 through November 30, 2020 unless otherwise noted.

Notes to the Monthly Operating Report

This Monthly Operating Report ("MOR") is unaudited and has been prepared solely for the purpose of complying with the obligations of the above-captioned debtors and debtors in possession (the "Debtors") to provide monthly operating reports during these Chapter 11 Cases. The Debtors have prepared this monthly operating report using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. This monthly operating report is, thus, true and accurate to the best of the Debtors' knowledge, information, and belief based on currently available data.

This MOR includes activity from the following Debtors and related Case Numbers:

| Debtor | Case Number |
|------------------------------------|-------------|
| Tuesday Morning Corporation (LEAD) | 20-31476 |
| TMI Holdings, Inc. | 20-31477 |
| Tuesday Morning, Inc. | 20-31478 |
| Friday Morning, LLC | 20-31479 |
| Days of the Week, Inc. | 20-31480 |
| Nights of the Week, Inc. | 20-31481 |
| Tuesday Morning Partners, Ltd. | 20-31482 |

Background: On May 27, 2020 (the "Petition Date"), each of the Debtors filed with the Court their respective voluntary petitions for relief under chapter 11 of Title 11 of the Bankruptcy Code, commencing the above-captioned chapter 11 cases. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On May 28, 2020, the Court entered an order authorizing the joint administration of these chapter 11 cases [Dkt. 66].

Notes:

The Debtors prepared this MOR relying primarily upon the information set forth in their books and records. Consequently, certain transactions that are not identified in the normal course of business in the Debtors' books and records may not be included in this MOR. Nevertheless, in preparing this MOR, the Debtors made best efforts to supplement the information set forth in their books and records with additional information concerning transactions that may not have been included therein.

Except as relates to Cash Receipts and Disbursements information presented on Page 1 and Page 1A of the attached MOR, information herein has been prepared on a consolidated basis for the Debtors.

The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for Chapter 11 debtors as required by the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court"). The financial information is in a format intended to meet the requirements of the Bankruptcy Court and the Office of the United States Trustee for the Northern District of Texas, Dallas Division (the "U.S. Trustee").

As discussed below, this MOR is not prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). This MOR does not include all of the information and footnotes required by GAAP.

The results of operations contained herein are not necessarily indicative of results that may be expected from any other period or for the full year and may not necessarily reflect the consolidated results of operations, financial position and cash flows of the Debtors in the future.

No assurance can be given as to the value, if any, that may be ascribed to the Debtors' various pre-petition liabilities and other securities. Accordingly, the Debtors urge that caution be exercised with respect to existing and future investments in any of these securities or claims against the Debtors.

Reservation of Rights: Given the complexity of the Debtors' financial affairs, inadvertent errors, omissions or over-inclusions may have occurred. Accordingly, the Debtors hereby reserve all of their rights to dispute the validity, status, enforceability, or nature of any claim amount, representation, or other statement in this MOR and reserve the right to amend or supplement this MOR, if necessary.

Additional Information: For more information related to these Chapter 11 Cases, court filings and claims information please refer to the Restructuring website at <https://dm.epiq11.com/case/tuesdaymorning/info>.

**Monthly Operating Report
CASH BASIS-1**

CASE NAME: Tuesday Morning Corporation, et al.

CASE NUMBER: 20-31476 (Jointly Administered)

| CASH RECEIPTS AND DISBURSEMENTS | OCT 1 to 31 | NOV 1 to 30 | DEC 1 to 31 | TOTAL |
|--|-----------------|----------------|----------------|-----------------|
| 1. CASH - BEGINNING OF MONTH | \$ 48,904,040 | \$ 24,546,517 | \$ - | \$ 48,904,040 |
| RECEIPTS | | | | |
| 2. CASH SALES ¹ | \$ 47,768,218 | \$ 64,477,256 | \$ - | \$ 112,245,474 |
| 3. ACCOUNTS RECEIVABLE COLLECTIONS | - | - | - | - |
| 4. LOANS AND ADVANCES ² | 87,300,000 | 73,500,000 | - | 160,800,000 |
| 5. SALE OF ASSETS | - | 374,580 | - | 374,580 |
| 6. LEASE & RENTAL INCOME | - | - | - | - |
| 7. WAGES | - | - | - | - |
| 8. OTHER (SEE MONTHLY DETAIL) | 17,967,973 | 4,681,049 | - | 22,649,021 |
| 9. TOTAL RECEIPTS | \$ 153,036,191 | \$ 143,032,885 | \$ - | \$ 296,069,076 |
| DISBURSEMENTS | | | | |
| 10. NET PAYROLL | \$ 10,682,262 | \$ 13,594,480 | \$ - | \$ 24,276,742 |
| 11. PAYROLL TAXES PAID ³ | - | - | - | - |
| 12. SALES, USE & OTHER TAXES PAID | 4,058,833 | 4,314,544 | - | 8,373,377 |
| 13. INVENTORY PURCHASES | 37,041,327 | 33,917,984 | - | 70,959,311 |
| 14. MORTGAGE PAYMENTS | - | - | - | - |
| 15. OTHER SECURED NOTE PAYMENTS ² | 87,409,345 | 73,540,154 | - | 160,949,499 |
| 16. RENTAL & LEASE PAYMENTS | 9,837,059 | 5,762,317 | - | 15,599,376 |
| 17. UTILITIES | 1,295,911 | 1,126,853 | - | 2,422,765 |
| 18. INSURANCE | 263,066 | 181,326 | - | 444,392 |
| 19. VEHICLE EXPENSES ⁴ | 5,973,169 | 7,036,247 | - | 13,009,416 |
| 20. TRAVEL | 24,224 | 41,788 | - | 66,012 |
| 21. ENTERTAINMENT | - | - | - | - |
| 22. REPAIRS & MAINTENANCE | 1,158,615 | 1,008,629 | - | 2,167,243 |
| 23. SUPPLIES | 737,769 | 790,189 | - | 1,527,959 |
| 24. ADVERTISING | 512,060 | 766,086 | - | 1,278,146 |
| 25. HOUSEHOLD EXPENSES | - | - | - | - |
| 26. CHARITABLE CONTRIBUTIONS | - | - | - | - |
| 27. GIFTS | - | - | - | - |
| 28. OTHER (ORDINARY COURSE PROFESSIONALS) | 497,528 | 438,342 | - | 935,870 |
| 29. TOTAL ORDINARY DISBURSEMENTS | \$ 159,491,170 | \$ 142,518,938 | \$ - | \$ 302,010,108 |
| REORGANIZATION EXPENSES | | | | |
| 30. PROFESSIONAL FEES | \$ 2,476,452 | \$ 3,260,506 | \$ - | \$ 5,736,959 |
| 31. U.S. TRUSTEE FEES | 501,625 | - | - | 501,625.0 |
| 32. OTHER (SEE MONTHLY DETAIL) | 14,924,467 | - | - | 14,924,467 |
| 33. TOTAL REORGANIZATION EXPENSES | \$ 17,902,544 | \$ 3,260,506 | \$ - | \$ 21,163,051 |
| 34. TOTAL DISBURSEMENTS | \$ 177,393,714 | \$ 145,779,445 | \$ - | \$ 323,173,159 |
| 35. NET CASH FLOW | \$ (24,357,523) | \$ (2,746,560) | \$ - | \$ (27,104,083) |
| 36. CASH - END OF MONTH | \$ 24,546,517 | \$ 21,799,957 | \$ - | \$ 21,799,957 |

NOTES:

¹ Includes all cash and credit card in-store sales.

² Includes all borrowings or repayments against Pre-Petition ABL and Post-Petition DIP. Debtors have repaid the Pre-Petition ABL to the required minimum balance of \$100,000. Furthermore, as of November 30, 2020 the Debtors have no outstanding borrowings against either their Post-Petition ABL DIP or their DIP Term Loan.

³ Included in Net Payroll disbursements item #10

⁴ Represents freight disbursements

Monthly Operating Report

CASH BASIS-1

CALCULATION OF QUARTERLY UST FEES

CASE NAME: Tuesday Morning Corporation, et al.

CASE NUMBER: 20-31476 (Jointly Administered)

| | | | TMI | | | | TMP | | |
|---|-----------------------------|--------------------|-----------------------|---------------------|------------------------|--------------------------|--------------------------------|----------------|--|
| | Tuesday Morning Corporation | TMI Holdings, Inc. | Tuesday Morning, Inc. | Friday Morning, LLC | Days of the Week, Inc. | Nights of the Week, Inc. | Tuesday Morning Partners, Ltd. | TOTAL | |
| 34. TOTAL DISBURSEMENTS | | | | | | | | | |
| CYQ4/M1 - OCT 1 - 31, 2020 | \$ - | \$ - | \$ 120,938,772 | \$ - | \$ - | \$ - | \$ 56,454,942 | \$ 177,393,714 | |
| CYQ4/M2 - NOV 1 - 30, 2020 | - | - | 106,814,083 | - | - | - | 38,965,362 | 145,779,445 | |
| CYQ4/M3 - DEC 1 - 31, 2020 | - | - | - | - | - | - | - | - | |
| TOTAL DISBURSEMENTS - CALENDAR Q4 2020 | \$ - | \$ - | \$ 227,752,855 | \$ - | \$ - | \$ - | \$ 95,420,304 | \$ 323,173,159 | |
| QUARTERLY FEES DUE | \$ 325.00 | \$ 325.00 | \$ 250,000.00 | \$ 325.00 | \$ 325.00 | \$ 325.00 | \$ 250,000.00 | \$ 501,625.00 | |

| Quarterly Disbursement Minimum | Quarterly Disbursement Maximum | Applicable Quarterly Fee |
|---------------------------------------|---------------------------------------|---------------------------------|
| \$ - | \$ - | \$ 325.00 |
| \$ 0.01 | \$ 14,999.99 | \$ 325.00 |
| \$ 15,000.00 | \$ 74,999.99 | \$ 650.00 |
| \$ 75,000.00 | \$ 149,999.99 | \$ 975.00 |
| \$ 150,000.00 | \$ 224,999.99 | \$ 1,625.00 |
| \$ 225,000.00 | \$ 299,999.99 | \$ 1,950.00 |
| \$ 300,000.00 | \$ 999,999.99 | \$ 4,875.00 |
| \$ 1,000,000.00 | \$ 24,999,999.99 | 1% |
| \$ 25,000,000.00 | | \$ 250,000.00 |

Monthly Operating Report
CASH BASIS-1

| | |
|---------------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |

CONSOLIDATING DISBURSEMENTS BY LEGAL ENTITY - OCT 1 TO 31, 2020

| CASH RECEIPTS AND DISBURSEMENTS | OCTOBER 1 TO 31, 2020 BY LEGAL ENTITY | | | | | | | | OCT 1 - 31 TOTAL |
|--|---------------------------------------|--------------------|-----------------------|---------------------|------------------------|--------------------------|------|--------------------------------|------------------|
| | Tuesday Morning Corporation | TMI Holdings, Inc. | TMI | | | TMP | | Tuesday Morning Partners, Ltd. | |
| | | | Tuesday Morning, Inc. | Friday Morning, LLC | Days of the Week, Inc. | Nights of the Week, Inc. | | | |
| 1. CASH - BEGINNING OF MONTH | \$ - | \$ - | \$ 48,904,040 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 48,904,040 |
| RECEIPTS | | | | | | | | | |
| 2. CASH SALES ¹ | \$ - | \$ - | \$ 47,768,218 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 47,768,218 |
| 3. ACCOUNTS RECEIVABLE COLLECTIONS | - | - | - | - | - | - | - | - | - |
| 4. LOANS AND ADVANCES ² | - | - | 87,300,000 | - | - | - | - | - | 87,300,000 |
| 5. SALE OF ASSETS | - | - | - | - | - | - | - | - | - |
| 6. LEASE & RENTAL INCOME | - | - | - | - | - | - | - | - | - |
| 7. WAGES | - | - | - | - | - | - | - | - | - |
| 8. OTHER (SEE BELOW) | \$ - | \$ - | \$ 3,467,973 | \$ - | \$ - | \$ - | \$ - | \$ 14,500,000 | \$ 17,967,973 |
| 8a. SALES TAXES COLLECTED | - | - | 3,467,973 | - | - | - | - | - | 3,467,973 |
| 8b. GOB SALES PROCEEDS | - | - | - | - | - | - | - | - | - |
| 8c. POR EARNEST MONEY DEPOSITS | - | - | - | - | - | - | - | 14,500,000 | 14,500,000 |
| 9. TOTAL RECEIPTS | \$ - | \$ - | \$ 138,536,191 | \$ - | \$ - | \$ - | \$ - | \$ 14,500,000 | \$ 153,036,191 |
| DISBURSEMENTS | | | | | | | | | |
| 10. NET PAYROLL | \$ - | \$ - | \$ 8,047,443 | \$ - | \$ - | \$ - | \$ - | \$ 2,634,819 | \$ 10,682,262 |
| 11. PAYROLL TAXES PAID ³ | - | - | - | - | - | - | - | - | - |
| 12. SALES, USE & OTHER TAXES PAID | - | - | 4,058,833 | - | - | - | - | - | 4,058,833 |
| 13. INVENTORY PURCHASES | - | - | - | - | - | - | - | 37,041,327 | 37,041,327 |
| 14. MORTGAGE PAYMENTS | - | - | - | - | - | - | - | - | - |
| 15. OTHER SECURED NOTE PAYMENTS ² | - | - | 87,409,345 | - | - | - | - | - | 87,409,345 |
| 16. RENTAL & LEASE PAYMENTS | - | - | 9,516,293 | - | - | - | - | 320,765 | 9,837,059 |
| 17. UTILITIES | - | - | 1,268,045 | - | - | - | - | 27,866 | 1,295,911 |
| 18. INSURANCE | - | - | 263,066 | - | - | - | - | - | 263,066 |
| 19. VEHICLE EXPENSES ⁴ | - | - | 4,920,061 | - | - | - | - | 1,053,108 | 5,973,169 |
| 20. TRAVEL | - | - | 24,224 | - | - | - | - | - | 24,224 |
| 21. ENTERTAINMENT | - | - | - | - | - | - | - | - | - |
| 22. REPAIRS & MAINTENANCE | - | - | 1,156,374 | - | - | - | - | 2,241 | 1,158,615 |
| 23. SUPPLIES | - | - | 287,420 | - | - | - | - | 450,349 | 737,769 |
| 24. ADVERTISING | - | - | 512,060 | - | - | - | - | - | 512,060 |
| 25. HOUSEHOLD EXPENSES | - | - | - | - | - | - | - | - | - |
| 26. CHARITABLE CONTRIBUTIONS | - | - | - | - | - | - | - | - | - |
| 27. GIFTS | - | - | - | - | - | - | - | - | - |
| 28. OTHER (ORDINARY COURSE PROFESSIONALS) | - | - | 497,528 | - | - | - | - | - | 497,528 |
| 29. TOTAL ORDINARY DISBURSEMENTS | \$ - | \$ - | \$ 117,960,695 | \$ - | \$ - | \$ - | \$ - | \$ 41,530,475 | \$ 159,491,170 |
| REORGANIZATION EXPENSES | | | | | | | | | |
| 30. PROFESSIONAL FEES | \$ - | \$ - | \$ 2,476,452 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,476,452 |
| 31. U.S. TRUSTEE FEES | - | - | 501,625 | - | - | - | - | - | 501,625 |
| 32. OTHER (SEE BELOW) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 14,924,467 | \$ 14,924,467 |
| 32a. PRE-PETITION TRADE ORDER PAYMENTS | - | - | - | - | - | - | - | - | - |
| 32b. UTILITIES ESCROW DEPOSITS | - | - | - | - | - | - | - | - | - |
| 32c. POR EARNEST DEPOSITS RELEASED | - | - | - | - | - | - | - | 14,500,000 | 14,500,000 |
| 32d. AUTHORIZED KERP PAYMENTS | - | - | - | - | - | - | - | 424,467 | 424,467 |
| 33. TOTAL REORGANIZATION EXPENSES | \$ - | \$ - | \$ 2,978,077 | \$ - | \$ - | \$ - | \$ - | \$ 14,924,467 | \$ 17,902,544 |
| 34. TOTAL DISBURSEMENTS | \$ - | \$ - | \$ 120,938,772 | \$ - | \$ - | \$ - | \$ - | \$ 56,454,942 | \$ 177,393,714 |
| 35. NET CASH FLOW | \$ - | \$ - | \$ 17,597,419 | \$ - | \$ - | \$ - | \$ - | \$ (41,954,942) | \$ (24,357,523) |
| 36. CASH - END OF MONTH | \$ - | \$ - | \$ 66,501,459 | \$ - | \$ - | \$ - | \$ - | \$ (41,954,942) | \$ 24,546,517 |

NOTES:

¹ Includes all cash and credit card in-store sales.

² Includes all borrowings or repayments against Pre-Petition ABL and Post-Petition DIP. Debtors have repaid the Pre-Petition ABL to the required minimum balance of \$100,000. Furthermore, as of November 30, 2020 the Debtors have no outstanding borrowings against either their Post-Petition ABL DIP or their DIP Term Loan.

³ Included in Net Payroll disbursements item #10

⁴ Represents freight disbursements

Monthly Operating Report

CASH BASIS-1

CONSOLIDATING DISBURSEMENTS BY LEGAL ENTITY - NOV 1 TO 30, 2020

| | |
|---------------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |

| CASH RECEIPTS AND DISBURSEMENTS | NOVEMBER 1 - 30, 2020 BY LEGAL ENTITY | | | | | | | | NOV 1 - 30 TOTAL |
|--|---------------------------------------|--------------------|-----------------------|---------------------|------------------------|--------------------------|------------------------------------|-----------------|------------------|
| | Tuesday Morning Corporation | TMI Holdings, Inc. | TMI | | Days of the Week, Inc. | Nights of the Week, Inc. | TMP Tuesday Morning Partners, Ltd. | | |
| | | | Tuesday Morning, Inc. | Friday Morning, LLC | | | | | |
| 1. CASH - BEGINNING OF MONTH RECEIPTS | \$ - | \$ - | \$ 24,546,517 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 24,546,517 |
| 2. CASH SALES ¹ | \$ - | \$ - | \$ 64,477,256 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 64,477,256 |
| 3. ACCOUNTS RECEIVABLE COLLECTIONS | - | - | - | - | - | - | - | - | - |
| 4. LOANS AND ADVANCES ² | - | - | 73,500,000 | - | - | - | - | - | 73,500,000 |
| 5. SALE OF ASSETS ³ | - | - | 374,580 | - | - | - | - | - | 374,580 |
| 6. LEASE & RENTAL INCOME | - | - | - | - | - | - | - | - | - |
| 7. WAGES | - | - | - | - | - | - | - | - | - |
| 8. OTHER (SEE BELOW) | \$ - | \$ - | \$ 4,681,049 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,681,049 |
| 8a. SALES TAXES COLLECTED | - | - | 4,681,049 | - | - | - | - | - | 4,681,049 |
| 8b. GOB SALES PROCEEDS | - | - | - | - | - | - | - | - | - |
| 8c. POR EARNEST MONEY DEPOSITS | - | - | - | - | - | - | - | - | - |
| 9. TOTAL RECEIPTS | \$ - | \$ - | \$ 143,032,885 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 143,032,885 |
| DISBURSEMENTS | | | | | | | | | |
| 10. NET PAYROLL | \$ - | \$ - | \$ 9,722,209 | \$ - | \$ - | \$ - | \$ - | \$ 3,872,270 | \$ 13,594,480 |
| 11. PAYROLL TAXES PAID ⁴ | - | - | - | - | - | - | - | - | - |
| 12. SALES, USE & OTHER TAXES PAID | - | - | 4,314,544 | - | - | - | - | - | 4,314,544 |
| 13. INVENTORY PURCHASES | - | - | 1,000,948 | - | - | - | - | 32,917,036 | 33,917,984 |
| 14. MORTGAGE PAYMENTS | - | - | - | - | - | - | - | - | - |
| 15. OTHER SECURED NOTE PAYMENTS ² | - | - | 73,540,154 | - | - | - | - | - | 73,540,154 |
| 16. RENTAL & LEASE PAYMENTS | - | - | 5,736,292 | - | - | - | - | 26,025 | 5,762,317 |
| 17. UTILITIES | - | - | 1,126,294 | - | - | - | - | 560 | 1,126,853 |
| 18. INSURANCE | - | - | 181,326 | - | - | - | - | - | 181,326 |
| 19. VEHICLE EXPENSES ⁵ | - | - | 5,478,625 | - | - | - | - | 1,557,621 | 7,036,247 |
| 20. TRAVEL | - | - | 41,788 | - | - | - | - | - | 41,788 |
| 21. ENTERTAINMENT | - | - | - | - | - | - | - | - | - |
| 22. REPAIRS & MAINTENANCE | - | - | 948,949 | - | - | - | - | 59,680 | 1,008,629 |
| 23. SUPPLIES | - | - | 258,019 | - | - | - | - | 532,170 | 790,189 |
| 24. ADVERTISING | - | - | 766,086 | - | - | - | - | - | 766,086 |
| 25. HOUSEHOLD EXPENSES | - | - | - | - | - | - | - | - | - |
| 26. CHARITABLE CONTRIBUTIONS | - | - | - | - | - | - | - | - | - |
| 27. GIFTS | - | - | - | - | - | - | - | - | - |
| 28. OTHER (ORDINARY COURSE PROFESSIONALS) | - | - | 438,342 | - | - | - | - | - | 438,342 |
| 29. TOTAL ORDINARY DISBURSEMENTS | \$ - | \$ - | \$ 103,553,576 | \$ - | \$ - | \$ - | \$ - | \$ 38,965,362 | \$ 142,518,938 |
| REORGANIZATION EXPENSES | | | | | | | | | |
| 30. PROFESSIONAL FEES | \$ - | \$ - | \$ 3,260,506 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,260,506 |
| 31. U.S. TRUSTEE FEES | - | - | - | - | - | - | - | - | - |
| 32. OTHER (SEE BELOW) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32a. PRE-PETITION TRADE ORDER PAYMENTS | - | - | - | - | - | - | - | - | - |
| 32b. UTILITIES ESCROW DEPOSITS | - | - | - | - | - | - | - | - | - |
| 32c. POR EARNEST DEPOSITS RELEASED | - | - | - | - | - | - | - | - | - |
| 32d. AUTHORIZED KERF PAYMENTS | - | - | - | - | - | - | - | - | - |
| 33. TOTAL REORGANIZATION EXPENSES | \$ - | \$ - | \$ 3,260,506 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,260,506 |
| 34. TOTAL DISBURSEMENTS | \$ - | \$ - | \$ 106,814,083 | \$ - | \$ - | \$ - | \$ - | \$ 38,965,362 | \$ 145,779,445 |
| 35. NET CASH FLOW | \$ - | \$ - | \$ 36,218,802 | \$ - | \$ - | \$ - | \$ - | \$ (38,965,362) | \$ (2,746,560) |
| 36. CASH - END OF MONTH | \$ - | \$ - | \$ 60,765,319 | \$ - | \$ - | \$ - | \$ - | \$ (38,965,362) | \$ 21,799,957 |

NOTES:

¹ Includes all cash and credit card in-store sales.

² Includes all borrowings or repayments against Pre-Petition ABL and Post-Petition DIP. Debtors have repaid the Pre-Petition ABL to the required minimum balance of \$100,000. Furthermore, as of November 30, 2020 the Debtors have no outstanding borrowings against either their Post-Petition ABL DIP or their DIP Term Loan.

³ Represents receipt of final payment from sale of certain fixed assets in Phoenix distribution center approved in August 2020. Refer to Final Order on dkt 740 for details.

⁴ Included in Net Payroll disbursements item #10

⁵ Represents freight disbursements

Monthly Operating Report

CASH BASIS-1

CONSOLIDATING DISBURSEMENTS BY LEGAL ENTITY - DEC 1 TO 31, 2020

| | |
|---------------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |

DECEMBER 1 - 31, 2020 BY LEGAL ENTITY

| CASH RECEIPTS AND DISBURSEMENTS | DECEMBER 1 - 31, 2020 BY LEGAL ENTITY | | | | | | | DEC 1 - 31 TOTAL |
|--|---------------------------------------|--------------------|---------------------------|---------------------|------------------------|--------------------------|------------------------------------|------------------|
| | Tuesday Morning Corporation | TMI Holdings, Inc. | TMI Tuesday Morning, Inc. | Friday Morning, LLC | Days of the Week, Inc. | Nights of the Week, Inc. | TMP Tuesday Morning Partners, Ltd. | |
| 1. CASH - BEGINNING OF MONTH | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| RECEIPTS | | | | | | | | |
| 2. CASH SALES ¹ | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3. ACCOUNTS RECEIVABLE COLLECTIONS | - | - | - | - | - | - | - | - |
| 4. LOANS AND ADVANCES ² | - | - | - | - | - | - | - | - |
| 5. SALE OF ASSETS | - | - | - | - | - | - | - | - |
| 6. LEASE & RENTAL INCOME | - | - | - | - | - | - | - | - |
| 7. WAGES | - | - | - | - | - | - | - | - |
| 8. OTHER (SEE BELOW) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8a. SALES TAXES COLLECTED | - | - | - | - | - | - | - | - |
| 8b. GOB SALES PROCEEDS | - | - | - | - | - | - | - | - |
| 8c. POR EARNEST MONEY DEPOSITS | - | - | - | - | - | - | - | - |
| 9. TOTAL RECEIPTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| DISBURSEMENTS | | | | | | | | |
| 10. NET PAYROLL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11. PAYROLL TAXES PAID ³ | - | - | - | - | - | - | - | - |
| 12. SALES, USE & OTHER TAXES PAID | - | - | - | - | - | - | - | - |
| 13. INVENTORY PURCHASES | - | - | - | - | - | - | - | - |
| 14. MORTGAGE PAYMENTS | - | - | - | - | - | - | - | - |
| 15. OTHER SECURED NOTE PAYMENTS ² | - | - | - | - | - | - | - | - |
| 16. RENTAL & LEASE PAYMENTS | - | - | - | - | - | - | - | - |
| 17. UTILITIES | - | - | - | - | - | - | - | - |
| 18. INSURANCE | - | - | - | - | - | - | - | - |
| 19. VEHICLE EXPENSES ⁴ | - | - | - | - | - | - | - | - |
| 20. TRAVEL | - | - | - | - | - | - | - | - |
| 21. ENTERTAINMENT | - | - | - | - | - | - | - | - |
| 22. REPAIRS & MAINTENANCE | - | - | - | - | - | - | - | - |
| 23. SUPPLIES | - | - | - | - | - | - | - | - |
| 24. ADVERTISING | - | - | - | - | - | - | - | - |
| 25. HOUSEHOLD EXPENSES | - | - | - | - | - | - | - | - |
| 26. CHARITABLE CONTRIBUTIONS | - | - | - | - | - | - | - | - |
| 27. GIFTS | - | - | - | - | - | - | - | - |
| 28. OTHER (ORDINARY COURSE PROFESSIONALS) | - | - | - | - | - | - | - | - |
| 29. TOTAL ORDINARY DISBURSEMENTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| REORGANIZATION EXPENSES | | | | | | | | |
| 30. PROFESSIONAL FEES | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31. U.S. TRUSTEE FEES | - | - | - | - | - | - | - | - |
| 32. OTHER (SEE BELOW) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32a. PRE-PETITION TRADE ORDER PAYMENTS | - | - | - | - | - | - | - | - |
| 32b. UTILITIES ESCROW DEPOSITS | - | - | - | - | - | - | - | - |
| 32c. POR EARNEST DEPOSITS RELEASED | - | - | - | - | - | - | - | - |
| 32d. AUTHORIZED KERP PAYMENTS | - | - | - | - | - | - | - | - |
| 33. TOTAL REORGANIZATION EXPENSES | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34. TOTAL DISBURSEMENTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35. NET CASH FLOW | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36. CASH - END OF MONTH | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

NOTES:

¹ Includes all cash and credit card in-store sales.

² Includes all borrowings or repayments against Pre-Petition ABL and Post-Petition DIP. Debtors have repaid the Pre-Petition ABL to the required minimum balance of \$100,000. Furthermore, as of November 30, 2020 the Debtors have no outstanding borrowings against either their Post-Petition ABL DIP or their DIP Term Loan.

³ Included in Net Payroll disbursements item #10

⁴ Represents freight disbursements

| | |
|---------------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |

| | | | | |
|--|------------------------|-------------------------|---------|----------------|
| CASH DISBURSEMENTS DETAIL | MONTH: November | | | |
| CASH DISBURSEMENTS | | | | |
| | DATE | PAYEE | PURPOSE | AMOUNT |
| | | | | |
| | | <i>SEE NOTE 1 BELOW</i> | | |
| | | | | |
| | | | | |
| TOTAL CASH DISBURSEMENTS ¹ | | | | \$ 145,779,445 |

| | | | | |
|---|------|-------------------------|---------|--------|
| BANK ACCOUNT DISBURSEMENTS | | | | |
| CK# | DATE | PAYEE | PURPOSE | AMOUNT |
| | | | | |
| | | | | |
| | | <i>SEE NOTE 2 BELOW</i> | | |
| | | | | |
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| TOTAL BANK ACCOUNT DISBURSEMENTS | | | | |

| | |
|---|----------------|
| TOTAL DISBURSEMENTS FOR THE PERIOD | \$ 145,779,445 |
|---|----------------|

¹ Aside from immaterial petty cash transactions conducted by the stores which are not individually recorded, the Debtors do not make cash disbursements.

² Debtors process hundreds of individual transactions per week. In many cases these disbursements relate to confidential pricing agreements with merchandise suppliers or other commercially sensitive information. Due to the voluminous and confidential nature of this information, Debtors have excluded details from this MOR. Individual payment line items are available for review on request by the Office of the US Trustee.

**Monthly Operating Report
CASH BASIS-2**

CASE NAME: Tuesday Morning Corporation, et al.

CASE NUMBER: 20-31476 (Jointly Administered)

BANK RECONCILIATIONS

| | <u>Acct #1</u> | <u>Acct #2</u> | <u>Acct #3</u> | <u>TOTAL</u> |
|---------------------------------------|---|----------------|----------------|-----------------|
| A. BANK: | SEE FOLLOWING SCHEDULE OF ACCOUNTS | | | |
| B. ACCOUNT NUMBER: | | | | |
| C. PURPOSE (TYPE): | | | | |
| 1. BALANCE PER BANK STATEMENT | | | | \$ 32,289,910 |
| 2. ADD: TOTAL DEPOSITS NOT CREDITED | | | | \$ - |
| 3. SUBTRACT: OUTSTANDING CHECKS | | | | \$ (10,489,952) |
| 4. OTHER RECONCILING ITEMS | | | | \$ - |
| 5. MONTH END BALANCE PER BOOKS | \$ - | \$ - | \$ - | \$ 21,799,957 |
| 6. NUMBER OF LAST CHECK WRITTEN | | | | |

INVESTMENT ACCOUNTS

| <u>BANK, ACCOUNT NAME & NUMBER</u> | <u>DATE OF PURCHASE</u> | <u>TYPE OF INSTRUMENT</u> | <u>PURCHASE PRICE</u> | <u>CURRENT VALUE</u> |
|--|-------------------------|---------------------------|-----------------------|----------------------|
| 7. | | | | |
| 8. | | | | |
| 9. | | | | |
| 10. | | | | |
| 11. TOTAL INVESTMENTS | | | \$ - | \$ - |

CASH

| | |
|--------------------------------------|---------------|
| 12. CURRENCY ON HAND | \$ - |
| 13. TOTAL CASH - END OF MONTH | \$ 21,799,957 |

Monthly Operating Report
CASH BASIS-2A
SCHEDULE OF DEBTOR BANK ACCOUNTS

CASE NAME: Tuesday Morning Corporation, et al.

CASE NUMBER: 20-31476 (Jointly Administered)

| Bank | GL | Nature of Account | Account Number | Balance as of November 30, 2020 |
|--------------------------------|------|---|----------------|---------------------------------------|
| Wells Fargo | 1013 | TMI - AP - NACHA ACH | xxx3007 | \$ - |
| Wells Fargo | 1013 | TMP - AP - NACHA ACH | xxx3015 | - |
| Wells Fargo | 1015 | TMI - Property Tax | xxx4381 | - |
| Wells Fargo | 1018 | TMI - Sale Tax II | xxx3495 | 153,896 |
| Wells Fargo | 1020 | TMI Main Disbursement | xxx7526 | 1,890,799 |
| Wells Fargo | 1025 | Friday Morning, Inc. | xxx1036 | - |
| Wells Fargo | 1025 | TMI - Main Cash Concentration | xxx5063 | 5,935,457 |
| Wells Fargo | 1025 | TMP - Main | xxx0097 | 11,325,601 |
| Bank of America | 1025 | TMP - DP Payments | xxx5718 | - |
| Wells Fargo | 1032 | TMI - Visa/MC | xxx8307 | - |
| Wells Fargo | 1033 | TMI - Discover | xxx8299 | - |
| Wells Fargo | 1034 | TMI - American Express | xxx7708 | - |
| Community First National | 1045 | Store #863 Depository Account | xxx9812 | 19 |
| People Bank | 1045 | Store #984 Depository Account | xxx1340 | 4,081 |
| Hancock Bank | 1045 | Store #598 Depository Account | xxx0914 | 2,935 |
| BBVA/Compass Bank | 1045 | Stores Depository Account | xxx9325 | 30,511 |
| Fifth Third Bank | 1045 | Stores Depository Account | xxx5683 | 15,019 |
| Regions Bank | 1045 | Stores Depository Account | xxx0300 | 123,295 |
| Chase Bank | 1045 | Stores Depository Account | xxx3000 | 406,220 |
| PNC Bank | 1045 | Stores Depository Account | xxx0704 | 37,469 |
| Wells Fargo | 1045 | Stores Depository Account | xxx4140 | - |
| Wells Fargo | 1045 | Stores Depository Account | xxx4488 | - |
| Bank of America | 1045 | Stores Depository Account | xxx1681 | 72,012 |
| BB&T Bank | 1045 | Stores Depository Account | xxx5675 | 58,279 |
| BancFirst Bank | 1045 | Store #481 Depository Account | xxx6246 | 6,603 |
| International Bank of Commerce | 1045 | Stores #953,#1017, #1077 & #1191 Depository Account | xxx4877 | 10,246 |
| Citizens Bank | 1045 | Stores Depository Account | xxx5872 | 7,581 |
| US Bank | 1045 | Stores Depository Account | xxx1357 | 29,435 |
| Key Bank | 1045 | Stores Depository Account | xxx4743 | 12,774 |
| Wells Fargo | 1056 | TMI - ADP - PR Tax & Garnishment | xxx5892 | 507,383 |
| Wells Fargo | 1056 | TMP - ADP - PR Tax & Garnishment | xxx5792 | 25,017 |
| Wells Fargo | 1062 | TMI - Postage | xxx2195 | 28,815 |
| Wells Fargo | 1070 | TMI - Workers Comp | xxx3193 | 53,137 |
| Wells Fargo | 1082 | TMI - UHC Medical | xxx0415 | 212,471 |
| Wells Fargo | 1091 | TMI - CIGNA Dental/STD | xxx6906 | 564 |
| Wells Fargo | 1094 | TMI - Tax Saver - FSA | xxx1184 | - |
| JPMorgan Chase Bank | 1099 | Cash Holding Account | xxx7366 | 11,340,291 |
| Wells Fargo | 1100 | Wells Fargo Brokerage Services | xxx6142 | - |
| | | | | <u>\$ 32,289,910</u> |

Note 1: Excludes individual store depository accounts, which are swept into Intermediate Store Depository Accounts included above. For more information, see the Debtors' Cash Management Motion [Dkt 10]

Note 2: Book to bank reconciliation of each of the Debtors' bank accounts are performed in the ordinary course of business on a monthly basis. Additional support for each of these accounts is available for review on request by the Office of the US Trustee.

CASE NAME: Tuesday Morning Corporation, et al.

CASE NUMBER: 20-31476 (Jointly Administered)

ASSETS OF THE ESTATE

| SCHEDULE "A" | | | | | |
|--------------------------|---------------------------------------|-----------------------|-----------------------|-----------------------|-------------|
| REAL PROPERTY | | SCHEDULE | | | |
| | | AMOUNT | 31-Oct-20 | 30-Nov-20 | 31-Dec-20 |
| 1. | HQ AND DISTRIBUTION CENTER (AT NBV) | \$ 22,293,977 | \$ 19,192,896 | \$ 19,077,506 | |
| 2. | | | | | |
| 3. | | | | | |
| 4. | OTHER (ATTACH LIST) | | | | |
| 5. | TOTAL REAL PROPERTY ASSETS | \$ 22,293,977 | \$ 19,192,896 | \$ 19,077,506 | \$ - |
| SCHEDULE "B" | | | | | |
| PERSONAL PROPERTY | | | | | |
| 1. | CASH ON HAND | \$ 580,900 | \$ 415,900 | \$ 415,900 | |
| 2. | CHECKING, SAVINGS, ETC. | \$ 16,047,077 | \$ 24,546,517 | \$ 21,799,957 | |
| 3. | SECURITY DEPOSITS | \$ 806,583 | \$ 892,291 | \$ 892,223 | |
| 4. | HOUSEHOLD GOODS | | | | |
| 5. | BOOKS, PICTURES, ART | | | | |
| 6. | WEARING APPAREL | | | | |
| 7. | FURS AND JEWELRY | | | | |
| 8. | FIREARMS & SPORTS EQUIPMENT | | | | |
| 9. | INSURANCE POLICIES | | | | |
| 10. | ANNUITIES | | | | |
| 11. | EDUCATION | | | | |
| 12. | RETIREMENT & PROFIT SHARING | | | | |
| 13. | STOCKS | | | | |
| 14. | PARTNERSHIPS & JOINT VENTURES | | | | |
| 15. | GOVERNMENT & CORPORATE BONDS | | | | |
| 16. | ACCOUNTS RECEIVABLE | \$ 889,577 | \$ 953,266 | \$ 894,820 | |
| 17. | ALIMONY | | | | |
| 18. | OTHER LIQUIDATED DEBTS | | | | |
| 19. | EQUITABLE INTERESTS | | | | |
| 20. | CONTINGENT INTERESTS | | | | |
| 21. | OTHER CLAIMS | \$ 5,374,800 | \$ 11,295,884 | \$ 11,562,240 | |
| 22. | PATENTS & COPYRIGHTS ¹ | \$ - | \$ - | \$ - | |
| 23. | LICENSES & FRANCHISES ¹ | \$ - | \$ - | \$ - | |
| 24. | CUSTOMER LISTS ¹ | \$ - | \$ - | \$ - | |
| 25. | AUTOS, TRUCKS & OTHER VEHICLES | \$ 23,943 | \$ 783 | \$ 391 | |
| 26. | BOATS & MOTORS | | | | |
| 27. | AIRCRAFT | | | | |
| 28. | OFFICE EQUIPMENT | \$ 15,234,482 | \$ 7,890,130 | \$ 7,524,244 | |
| 29. | MACHINERY, FIXTURES & EQUIPMENT | \$ 65,973,947 | \$ 35,905,749 | \$ 35,403,570 | |
| 30. | INVENTORY | \$ 217,542,264 | \$ 127,001,428 | \$ 131,138,153 | |
| 31. | ANIMALS | | | | |
| 32. | CROPS | | | | |
| 33. | FARMING EQUIPMENT | | | | |
| 34. | FARM SUPPLIES | | | | |
| 35. | OTHER (ATTACH LIST) | | | | |
| 36. | TOTAL PERSONAL PROPERTY ASSETS | \$ 322,473,572 | \$ 208,901,948 | \$ 209,631,498 | \$ - |
| 37. | TOTAL ASSETS | \$ 344,767,549 | \$ 228,094,844 | \$ 228,709,004 | \$ - |

¹ Value of intellectual property and intangibles is excluded as Undetermined,

² Non Cash Right of Use Assets related to Leased Properties are not included above.

CASE NAME: Tuesday Morning Corporation, et al.

CASE NUMBER: 20-31476 (Jointly Administered)

MONTH: November

LIABILITIES OF THE ESTATE

| PREPETITION LIABILITIES | SCHEDULE AMOUNT | PAYMENTS |
|------------------------------------|----------------------------|-----------------|
| 1. SECURED ¹ | \$ 39,210,220 | \$ 39,110,220 |
| 2. PRIORITY ² | \$ - | |
| 3. UNSECURED ^{3, 4} | \$ 107,241,762 | \$ 3,259,906 |
| 4. OTHER (ATTACH LIST) | | |
| 5. TOTAL PREPETITION LIABILITIES | \$ 146,451,982 | \$ 42,370,126 |

| POSTPETITION LIABILITIES | DATE INCURRED | AMOUNT OWED | DUE DATE | AMOUNT PAST DUE |
|---|--------------------------|------------------------|---------------------|----------------------------|
| 1. FEDERAL INCOME TAXES | | | | |
| 2. FICA/MEDICARE | | | | |
| 3. STATE TAXES | | | | |
| 4. REAL ESTATE TAXES | | | | |
| 5. OTHER TAXES (ATTACH LIST) | | | | |
| 6. TOTAL TAXES | Various | \$ - | Various | \$ - |
| OTHER POSTPETITION LIABILITIES INCLUDING TRADE CREDITORS (LIST NAMES OF CREDITORS) | | | | |
| 7. | | | | |
| 8. Total Post-Petition Accounts Payable | Various | \$ 17,558,242 | Various | \$ - |
| 9. | | | | |
| 10. | | | | |
| 11. | | | | |
| 12. | | | | |
| 13. | | | | |
| 14. | | | | |
| 15. | | | | |
| 16. | | | | |
| 17. | | | | |
| 18. | | | | |
| 19. (IF ADDITIONAL ATTACH LIST) | | | | |
| 20. TOTAL OF LINES 7 - 19 | | \$ 17,558,242 | | \$ - |
| 21. TOTAL POSTPETITION LIABILITIES | | \$ 17,558,242 | | \$ - |

¹ Debtors have repaid the Pre-Petition ABL to the required minimum balance of \$100,000. Furthermore, as of November 30, 2020 the Debtors have no outstanding borrowings against either their Post-Petition ABL DIP or their DIP Term Loan.

² The Debtors did not list any Priority liabilities in their Schedules of Assets and Liabilities. Debtors received authority to make payments on account of Pre-Petition Wages and related employee benefits and certain Pre-Petition Taxes Because the authority granted is sufficient to satisfy all known such liabilities, the Debtors do not believe that they have exposure to Priority Claim Liabilities.

³ Payments against unsecured liabilities represent payments made under authority granted in the Debtors' Trade Order to certain foreign vendors, shippers and warehousemen and miscellaneous lien claimants.

⁴ Debtors' negotiations with its Landlords are on-going and, consequently, certain waivers of pre-petition rent obligations are expected but not yet fully quantified. Debtors will include these reductions as "payments" against corresponding unsecured rents once these amounts are agreed and quantified.

**Monthly Operating Report
CASH BASIS-4A**

| | |
|---------------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |

MONTH: November

ACCOUNTS RECEIVABLE AGING

| | SCHEDULE AMOUNT | MONTH | MONTH | MONTH |
|------------------------------------|--------------------|------------------|-------|-------|
| 1. 0 - 30 | | | | |
| 2. 31 - 60 | | See Note 1 Below | | |
| 3. 61 - 90 | | | | |
| 4. 91 + | | | | |
| 5. TOTAL ACCOUNTS RECEIVABLE | \$ - | \$ - | \$ - | \$ - |
| 6. AMOUNT CONSIDERED UNCOLLECTIBLE | | | | |
| 7. ACCOUNTS RECEIVABLE (NET) | \$ - | \$ - | \$ - | \$ - |

**AGING OF POSTPETITION TAXES
AND PAYABLES**

| | 0 - 30 DAYS | 31-60 DAYS | 90+ DAYS | Total |
|------------------------|----------------|---------------|-------------|---------------|
| TAXES PAYABLE | | | | |
| 1. FEDERAL | | | | \$ - |
| 2. STATE | | | | \$ - |
| 3. LOCAL | | | | \$ - |
| 4. OTHER (ATTACH LIST) | | | | \$ - |
| 5. TOTAL TAXES PAYABLE | \$ - | \$ - | \$ - | \$ - |
| 6. ACCOUNTS PAYABLE | \$ 17,558,242 | \$ - | \$ - | \$ 17,558,242 |

STATUS OF POSTPETITION TAXES

| | BEGINNING TAX LIABILITY | AMOUNT WITHHELD OR ACCRUED | AMOUNT PAID | ENDING TAX LIABILITY |
|-------------------------|-------------------------------|----------------------------------|----------------|----------------------------|
| FEDERAL | | | | |
| 1. WITHHOLDING | | | | \$ - |
| 2. FICA-EMPLOYEE | | | | \$ - |
| 3. FICA-EMPLOYER | | | | \$ - |
| 4. UNEMPLOYMENT | | | | \$ - |
| 5. INCOME | | | | \$ - |
| 6. OTHER (ATTACH LIST) | | | | \$ - |
| 7. TOTAL FEDERAL TAXES | \$ - | \$ - | \$ - | \$ - |
| STATE AND LOCAL | | | | |
| 8. WITHHOLDING | | | | \$ - |
| 9. SALES | | | | \$ - |
| 10. EXCISE | | | | \$ - |
| 11. UNEMPLOYMENT | | | | \$ - |
| 12. REAL PROPERTY | | | | \$ - |
| 13. PERSONAL PROPERTY | | | | \$ - |
| 14. OTHER (ATTACH LIST) | | | | \$ - |
| 15. TOTAL STATE & LOCAL | \$ - | \$ - | \$ - | \$ - |
| 16. TOTAL TAXES | \$ - | \$ - | \$ - | \$ - |

NOTE: The Debtors were granted authority under their Tax Order [Dkt 97] to pay certain pre-petition taxes in the ordinary course of business. To the best of Debtors' information and belief, Debtors are current and remain current in their payment of all taxes included in the tables above.

¹ Debtors' sales are conducted in real-time in-store. The Debtors do not offer credit to customers and therefore do not have material Accounts Receivable at any time. A/R listed relates primarily to reimbursements due from landlords for tenant improvement allowances authorized under certain real property leases

Monthly Operating Report
CASH BASIS-5

| | |
|---------------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |

MONTH: November

PAYMENTS TO INSIDERS AND PROFESSIONALS

| INSIDERS | | | |
|-----------------------------------|-----------------|-------------|----------------|
| NAME | TYPE OF PAYMENT | AMOUNT PAID | TTL PD TO DATE |
| ***] | ***] | ***] | ***] |
| ***] | ***] | ***] | ***] |
| SEE CERTIFICATION 1 BELOW | | | |
| ***] | ***] | ***] | ***] |
| ***] | ***] | ***] | ***] |
| TOTAL PAYMENTS TO INSIDERS | | ***] | ***] |

| PROFESSIONALS | | | | | |
|---|---|-----------------|--------------|------------------|-------------------------|
| NAME | DATE OF COURT ORDER AUTHORIZING PAYMENT | AMOUNT APPROVED | AMOUNT PAID | TTL PAID TO DATE | TOTAL INCURRED & UNPAID |
| 1. Haynes & Boone | | | \$ 881,877 | \$ 2,594,169 | \$ 1,216,945 |
| 2. Squire Patton Boggs | | | - | 49,043 | 32,957 |
| 3. AlixPartners | | | 1,450,140 | 4,000,499 | 1,875,929 |
| 4. Stifel / Miller Buckfire | | | 210,000 | 1,124,048 | 600,952 |
| 5. Vinson & Elkins | | | - | 1,203,158 | 466,926 |
| 6. Berkley Research Group | | | - | 632,600 | 216,223 |
| 7. Montgomery McCracken Walker & Rhoads | | | 483,067 | 1,328,723 | 441,277 |
| 8. BDO | | | 149,586 | 970,324 | 524,176 |
| 9. Munsch Hardt | | | 77,739 | 257,053 | 108,447 |
| 10. Great American Group | Dkt 197 - 6/9/2020 | | - | 1,995,889 | - |
| 11. A&G Realty Partners | Dkt 139 - 6/2/2020 | | - | 1,728,308 | - |
| 12. Epiq Systems | Dkt 100 - 5/29/2020 | | - | 854,281 | 110,000 |
| 13. Merrill Communications | | | 8,098 | 31,081 | 10,000 |
| 14. Willkie Farr & Gallagher | | | - | 292,888 | - |
| 15. Pachulski Stang Ziehl & Jones | | | - | - | 550,000 |
| 16. PJ Solomon | | | - | - | 427,000 |
| TOTAL PAYMENTS TO PROFESSIONALS | | \$ - | \$ 3,260,506 | \$ 17,062,063 | \$ 6,580,833 |

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

| NAME OF CREDITOR | SCHEDULED MONTHLY PAYMENTS DUE | AMOUNTS PAID DURING MONTH | TOTAL UNPAID POST-PETITION |
|----------------------------------|--------------------------------|---------------------------|----------------------------|
| ***] | ***] | ***] | ***] |
| ***] | ***] | ***] | ***] |
| SEE CERTIFICATION 2 BELOW | | | |
| ***] | ***] | ***] | ***] |
| ***] | ***] | ***] | ***] |
| 6. TOTAL | ***] | ***] | ***] |

CERTIFICATION 1 - PAYMENTS TO INSIDERS

I, STACIE SHIRLEY, hereby certify that only customary wages have been paid to insiders during this reporting period. There have been no bonuses, loans or other amounts paid aside from ordinary course compensation

CERTIFICATION 2 - POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE & ADEQUATE PROTECTION PAYMENTS

I, STACIE SHIRLEY, hereby certify that to the best of my knowledge Debtors are current on any and all Post-Petition amounts due on account of Secured Notes, Leases Payable and Adequate Protection Payments

**Monthly Operating Report
CASH BASIS-6**

| | |
|---------------------|-------------------------------------|
| CASE NAME: | Tuesday Morning Corporation, et al. |
| CASE NUMBER: | 20-31476 (Jointly Administered) |

2020

MONTH: November

| QUESTIONNAIRE | YES | NO |
|--|-----------------|-----------------|
| 1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD? | | X See Note 1 |
| 2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT? | | X |
| 3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES OR LOANS) DUE FROM RELATED PARTIES? | | X |
| 4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD? | Y See Note 2 | |
| 5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY? | Y See Note 3 | |
| 6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE? | | X |
| 7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE? | | X |
| 8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE? | | X |
| 9. ARE ANY OTHER POSTPETITION TAXES PAST DUE? | | X |
| 10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT? | | X |
| 11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD? | Y See Note 4 | |
| 12. ARE ANY WAGE PAYMENTS PAST DUE? | | X |

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES"; PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

Note 1: During this reporting period, the Debtors received final payment of \$374,580 from sale of certain fixed assets in Phoenix distribution center that was approved in August 2020. Refer to Final Order on dkt 740 for details.

Note 2: Debtors have made certain payments on Pre-Petition items only where authorized under and in compliance with various orders of the Court including Insurance [dkt 108], Taxes [dkt 97], Wages [dkt 69], Cash Management [dkt 68], Trade [dkt 330]. These disbursements are included on relevant pages within this Monthly Operating Report.

Note 3: Debtors have received Post-Petition Financing in accordance with their Motion to Obtain Post-Petition Financing [dkt 19 and dkt 90] and the Interim and Final Orders, thereto [dkt 67 and dkt 331, respectively] These disbursements are included on relevant pages within this Monthly Operating Report.

Note 4: Debtors have made certain payments on Pre-Petition Taxes only where authorized under and in compliance with related orders of the Court with respect to Tax obligations [dkt 97] These disbursements are included on relevant pages within this Monthly Operating Report.

| INSURANCE | YES | NO |
|--|------------|----|
| 1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT? | X | |
| 2. ARE ALL PREMIUM PAYMENTS PAID CURRENT? | X | |
| 3. PLEASE ITEMIZE POLICIES BELOW | See Note 5 | |

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO" OR IF ANY POLICIES HAVE BEEN CANCELED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

Note 5: Please refer to Debtors' Insurance Motion [dkt 11] for details of all of Debtors' Insurance Policies.

| INSTALLMENT PAYMENTS | | | |
|-------------------------|---------|----------------|----------------------------|
| TYPE OF POLICY | CARRIER | PERIOD COVERED | PAYMENT AMOUNT & FREQUENCY |
| | | | |
| SEE NOTE 3 ABOVE | | | |
| | | | |
| | | | |

