Exhibit 1

Liquidation Analysis

Exhibit B

Liquidation Analysis

LIQUIDATION ANALYSIS[1]

Introduction

Under the "best interests of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code, the Bankruptcy Court may not confirm a plan unless the plan provides each holder of an allowed claim or interest that does not otherwise vote in favor of the plan with property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code.

To demonstrate that the Plan satisfies the best interests of creditors test, the Debtors, with the assistance of their restructuring advisors, AlixPartners, LLP, have prepared a hypothetical liquidation analysis (the "Liquidation Analysis"), which is based upon certain assumptions discussed in the Disclosure Statement and the accompanying notes to the Liquidation Analysis.

The Liquidation Analysis sets forth an estimated range of recovery values for each Class of Claims and Interests upon disposition of assets pursuant to a hypothetical chapter 7 liquidation. As illustrated by this Liquidation Analysis, Holders of Claims or Interests in Impaired Classes would receive a lower recovery in a hypothetical liquidation than they would under the Plan. Further, no Holder of a Claim or Interest would receive or retain property under the Plan of a value that is less than such Holder would receive in a chapter 7 liquidation. Accordingly, and as set forth in greater detail below, the Debtors believe that the Plan satisfies the "best interests of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code.

Statement of Limitations

The preparation of a liquidation analysis is an uncertain process involving the use of estimates and assumptions that, although considered reasonable by the Debtors based upon their business judgment and input from their advisors, are inherently subject to significant business, economic, and competitive risks, uncertainties, and contingencies, most of which are difficult to predict and many of which are beyond the control of the Debtors, their management, and their advisors. Inevitably, some assumptions in the Liquidation Analysis would not materialize in an actual chapter 7 liquidation, and unanticipated events and circumstances could materially affect the ultimate results in an actual chapter 7 liquidation. The Liquidation Analysis was prepared for the sole purpose of generating a reasonable, good faith estimate of the proceeds that would be generated, and the potential recoveries that would result, if the Debtors' assets were liquidated in accordance with chapter 7 of the Bankruptcy Code. The Liquidation Analysis is not intended and should not be used for any other purpose. The underlying financial information in the Liquidation

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[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *Joint Chapter 11 Plan of Vyaire Medical, Inc. and its Debtor Affiliates* [Docket No. 518] (as may be amended, modified, or supplemented from time to time, the "Plan") or the Disclosure Statement (as defined in the Plan), as applicable.

Analysis and the values stated herein have not been subject to any review, compilation, or audit by any independent accounting firm. In addition, the various liquidation decisions upon which certain assumptions are based are subject to change. As a result, the actual amount of Claims that would ultimately be Allowed against the Debtors' Estates could vary significantly from the estimates stated herein, depending on the nature and amount of Claims asserted during the pendency of a chapter 7 case. Similarly, the value of the Debtors' assets in a liquidation scenario is uncertain and could vary significantly from the values set forth in the Liquidation Analysis.

The cessation of business operations in a chapter 7 liquidation is likely to trigger certain Claims that otherwise would not exist under the Plan. The amount of additional Claims could be significant, and some may be entitled to treatment as Administrative Claims, while others may be entitled to priority in payment over General Unsecured Claims. The Liquidation Analysis does not include estimates for such additional Claims, including, but not limited to: (a) the tax consequences, either foreign or domestic, that may be triggered upon the liquidation and sale of assets, (b) recoveries resulting from any potential preference, fraudulent transfer, or other litigation or Avoidance Actions, (c) Claims that may be entitled to priority under the Bankruptcy Code, including Administrative Claims under sections 503(b) and 507(b) of the Bankruptcy Code, (d) environmental or other governmental Claims arising from the shut down or sale of the Debtors' assets, and (e) additional unsecured and contract and lease breakage claims arising from a chapter 7 liquidation. More specific assumptions are detailed in the notes below. Additionally, certain factors, such as an inability by the Debtors or a chapter 7 trustee (the "Trustee") to maintain the Debtors' operations during the Liquidation Process (as defined below), a seizure of collateral by secured creditors, and/or delays in the Liquidation Process may limit the amount of proceeds generated by the liquidation of the assets. These factors could materially reduce the value of the liquidation proceeds and yield significantly lower recoveries than those estimated in the Liquidation Analysis.

ACCORDINGLY, NEITHER THE DEBTORS NOR THEIR ADVISORS MAKE ANY REPRESENTATION OR WARRANTY THAT THE ACTUAL RESULTS OF A LIQUIDATION OF THE DEBTORS WOULD OR WOULD NOT, IN WHOLE OR IN PART, APPROXIMATE THE ESTIMATES AND ASSUMPTIONS REPRESENTED HEREIN. THE ACTUAL LIQUIDATION VALUE OF THE DEBTORS IS SPECULATIVE AND RESULTS COULD VARY MATERIALLY FROM THE ESTIMATES PROVIDED HEREIN.

In preparing the Liquidation Analysis, the Debtors estimated Allowed Claims based upon a review of the Debtors' financial statements to account for other known liabilities, as necessary. In addition, the Liquidation Analysis includes estimates for Claims not currently asserted in the chapter 11 cases, but which could be asserted and allowed in a chapter 7 liquidation, including unpaid chapter 11 Administrative Claims, and chapter 7 administrative claims such as wind-down costs and trustee and legal fees (together, the "Wind-Down Expenses"). To date, the Bankruptcy Court has not estimated or otherwise fixed the total amount of Allowed Claims used for purposes of preparing this Liquidation Analysis. Therefore, the Debtors' estimate of Allowed Claims set forth in the Liquidation Analysis should not be relied on for any other purpose, including determining the value of any distribution to be made on account of Allowed Claims and Interests under the Plan. NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTORS. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THESE CHAPTER 11 CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH IN THE LIQUIDATION ANALYSIS.

Basis of Presentation

The Liquidation Analysis has been prepared assuming that the Debtors would convert their current Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code on or about November 14, 2024, which is assumed to be after the closing of both Sale Transactions (the "Liquidation Date"). Except as otherwise noted herein, the Liquidation Analysis is based upon the unaudited financial statements of the Debtors as of July 31, 2024, and those values, in total, are assumed to be representative of the Debtors' assets and liabilities as of the Liquidation Date. The Debtors, in consultation with their advisors, believe that the July 31, 2024 book value of assets and certain liabilities are a proxy for such book values as of the Liquidation Date. It is assumed that, on the Liquidation Date, the Bankruptcy Court would appoint a Trustee to oversee the liquidation of the Debtors' Estates, during which time all of the assets of the Debtors would be sold and the Cash proceeds, net of liquidation-related costs, would then be distributed to creditors in accordance with applicable law: (i) ***first***, for payment of liquidation, wind-down expenses, and Trustee fees attributable to the Wind-Down Expenses; (ii) ***second***, to pay the secured portions of the DIP Claims; (iii) ***third***, to pay the secured portions of the First Lien Claims; (iv) ***fourth***, to pay the secured portions of the Second Lien Claims; and (v) ***fifth***, any remaining net cash would be distributed to creditors holding unsecured claims against the Debtors, including, for the avoidance of doubt, to pay amounts on General Unsecured Claims and any deficiency Claims that arise to the extent of the unsecured portion of the Allowed Secured Claims.[2]

The Liquidation Analysis assumes operations of the Debtors and their non-Debtor Affiliates (the "Liquidating Entities") will cease on the Liquidation Date, and the related individual assets will be sold during a three-month liquidation process (the "Liquidation Process") under the direction of the Trustee, utilizing the Debtors' resources and third-party advisors, to allow for the orderly wind down of the Debtors' Estates. There can be no assurance that the liquidation would be completed in such a limited time frame, nor is there any assurance that the recoveries assigned to the assets would in fact be realized. Under section 704 of the Bankruptcy Code, a trustee must,

[2] As set forth above, the Liquidation Analysis does not include estimates for Claims that may be entitled to priority under the Bankruptcy Code, including priority unsecured claims and Administrative Claims under sections 503(b) and 507(b) of the Bankruptcy Code. For the avoidance of doubt, such claims would be entitled to payment before any distributions to creditors holding non-priority General Unsecured Claims.

among other duties, collect and convert the property of the estate as expeditiously (generally in a distressed process) as is compatible with the best interests of parties-in-interest. The Liquidation Analysis is also based on the assumptions that: (a) the Debtors have continued access to cash collateral during the course of the Liquidation Process to fund Wind-Down Expenses and (b) operations, accounting, treasury, IT, and other management services needed to wind down the Estates continue. The Liquidation Analysis was prepared on an entity-by-entity basis for all Liquidating Entities and is displayed below on a consolidated basis for all Debtors for convenience. Asset Recoveries accrue first to satisfy creditor claims at the legal entity level. To the extent any remaining value exists, it flows as equity to the applicable Liquidating Entity's parent or appropriate equity holder, as applicable.

DETAILED LIQUIDATION ANALYSIS

The following summary of the Liquidation Analysis for the Debtors should be reviewed in conjunction with the associated notes.

Liquidation Analysis - Summary of Debtors			
In $Thousands	Note:	Recovery $ Low	Recovery $ High
Cash and Cash Equivalents	[A]	1,566	1,566
Accounts Receivable	[B]	2,006	2,452
Inventory	[C]	-	100
Ventilation and Respiratory Diagnostics Sales Proceeds	[D]	21,534	23,534
Potential Causes of Action Recovery	[E]	5,310	26,450
Equity in non-Debtor Subsidiaries	[F]	-	-
Total Liquidation Proceeds		**$ 30,416**	**$ 54,102**
Wind-Down Expenses	[G]		
Wind-Down Expenses		$ 26,820	$ 27,970
Wind-Down Expenses Recovery		26,820	27,970
Wind-Down Recovery %		*100.0%*	*100.0%*
Net Proceeds from Liquidation		**$ 3,596**	**$ 26,131**
DIP Claims		$ 106,565	$ 106,565
DIP Recovery	[H]	3,596	26,131
DIP Recovery %		*3.4%*	*24.5%*
First Lien Claims		$ 314,147	$ 314,147
First Lien Recovery	[I]	-	-
First Lien Deficiency Claims		$ 314,147	$ 314,147
First Lien Recovery %		*0.0%*	*0.0%*
Second Lien Claims		$ 117,475	$ 117,475
Second Lien Recovery	[J]	-	-
Second Lien Deficiency Claims		$ 117,475	$ 117,475
Second Lien Recovery %		*0.0%*	*0.0%*
General Unsecured Claims		TBD	TBD
General Unsecured Recovery	[K]	-	-
General Unsecured Recovery %		*0.0%*	*0.0%*
Total Creditor Recovery		**$ 3,596**	**$ 26,131**

Notes to the Liquidation Analysis

[A] Cash and Cash Equivalents: This cash balance represents the estimated balance as of the Liquidation Date. A 100% recovery on cash and equivalents has been estimated for the low and high scenarios.

[B] Accounts Receivable: The Debtors' account receivable relates to select product lines not acquired by a buyer and was evaluated by product category and aging. A portion of accounts receivable relates to that of non-Debtor entities with no estimated material claims (estimated liabilities are assumed to be satisfied through the international wind-down process) and is assumed to be an asset of the Debtors. A recovery of $2.0 million to $2.5 million has been estimated for the Debtors' receivables.

[C] Inventory: Inventory represents portion of inventory not purchased by a buyer and consists of various raw materials, finished goods and work in process. These assets have been evaluated based on the likelihood of recoverability considering current state of value-add, the ability to re-sell them, and the geographic dispersed nature of the assets. A de minimis recovery of $0 to $0.1 million has been estimated for the Debtors' inventory based on individual recoveries assigned to different inventory categories.

[D] Ventilation and Respiratory Diagnostics Sales Proceeds: Under a chapter 7 liquidation scenario, both Sale Transactions are assumed to be consummated prior to the Liquidation Date, with the proceeds of the Sale Transactions subject to the terms of the Sale Orders. As such, $21.5 million to $23.5 million has been estimated for the low and high scenarios, respectively, for the holdback amounts provided to the Estates in accordance with the terms of the Sale Orders.

[E] Potential Litigation Causes of Action Recovery: The Trustee may have the potential to bring litigation on behalf of the Debtors related to various potential Causes of Action. A portion of the potential litigation relates to a non-Debtor entity with no estimated material claims (estimated liabilities are assumed to be satisfied through the international wind-down process) and is assumed to roll-up to be an asset of the Debtors. While the value of any potential litigation is speculative and subject to many variables, the Debtors have estimated, for purposes of this Liquidation Analysis, that there may be $5.3 million to $26.5 million of proceeds that could be received from potential Causes of Action.

[F] Equity in non-Debtor Subsidiaries: Equity in non-Debtor subsidiaries represents residual equity value of certain non-Debtor entities after debt and other claims have been paid at the respective non-Debtor entities. Based on an analysis of the non-Debtor subsidiaries, no such equity value is estimated to exist in a Liquidation Process.

[G] Wind-Down Expenses: Wind-Down Expenses represent the expenses associated with administering the chapter 7 liquidation and existing chapter 11 administrative expenses. A 3% trustee fee has been applied to non-cash asset recovery values and a $1.5 million to $2.0 million cost for related legal and professional fees. Chapter 7 wind-down and operation expenses total approximately $18.5 million. Additionally, an estimated $6.6 million of certain priority and administrative liabilities have been included in the estimated Wind-Down Expenses. A full recovery is estimated for Wind-Down Expenses.

[H] <u>DIP Claims</u>: DIP Claims represent the estimated Claims for the DIP. DIP Claims are estimated to receive a 3.4% to 24.5% recovery.

[I] <u>First Lien Claims</u>: The First Lien Claims are entitled to a *pro rata* share of Distributable Value under the Plan after satisfaction of Allowed DIP Claims. No recovery is estimated for the First Lien Claims at this time.

[J] <u>Second Lien Claims</u>: The Second Lien Claims are entitled to a *pro rata* share of Distributable Value under the Plan after satisfaction of Allowed DIP Claims and Allowed First Lien Claims. No recovery is estimated for the Second Lien Claims at this time.

[K] <u>General Unsecured Claims</u>: The General Unsecured Claims include estimated deficiency claims. Recovery on the General Unsecured Claims is estimated to be $0.