**Part I  Reporting Issuer**

<table>
<thead>
<tr>
<th>Issuer's name</th>
<th>Issuer's employer identification number (EIN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Party City Holdings Inc.</td>
<td>20-1033029</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Name of contact for additional information</th>
<th>Telephone No. of contact</th>
<th>Email address of contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Todd Vogensen</td>
<td>(914) 345-2020</td>
<td><a href="mailto:tvogensen@partycity.com">tvogensen@partycity.com</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number and street (or P.O. box if mail is not delivered to street address) of contact</th>
<th>City, town, or post office, state, and Zip code of contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>80 Grasslands Road</td>
<td>Elmsford, NY 10523</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date of action</th>
<th>Classification and description</th>
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<tbody>
<tr>
<td>July 30, 2020</td>
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<table>
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<tr>
<th>CUSIP number</th>
<th>Serial number(s)</th>
<th>Ticker symbol</th>
<th>Account number(s)</th>
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</table>

**Part II  Organizational Action**

Attach additional statements if needed. See back of form for additional questions.

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action [See attachment.]

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis [See attachment.]

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates [See attachment.]

For Paperwork Reduction Act Notice, see the separate Instructions.
Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► See attachment.

18 Can any resulting loss be recognized? ► See attachment.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► See attachment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ► [Signature]  Date ► 9/4/2020
Print your name ► Todd Vogensen  Title ► EVP - CFO

Paid Preparer Use Only
Print/Type preparer’s name  Preparer’s signature  Date  Check □ if self-employed  FTIN
Firm’s name ►  Firm’s EIN ►
Firm’s address ►  Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054
ATTACHMENT TO FORM 8937

9. Classification and Description

a) Floating Rate Senior Secured First Lien Notes due 2025
b) 5.00% Cash/PIK / 5.00% PIK Senior Secured Second Lien Notes due 2026
c) 10.00% Cash / 5.00% PIK Senior Secured First Lien Notes due 2025
d) Rights to subscribe for 10.00% Cash / 5.00% PIK Senior Secured First Lien Notes due 2025

10. CUSIP number

a) 702150AE3, U70268AD6
b) 03254TAC7, U0022TAB3
c) 03254TAA1, U0022TAA5

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

The organizational action is the offer to exchange (the "Exchange") any and all 6.125% Senior Notes due 2023 of Party City Holdings Inc. ("PCHI") and any and all 6.625% Senior Notes due 2026 of PCHI (collectively, the "Notes") pursuant to the offering memorandum of Party City Holdco Inc. ("Parent"), PCHI, and Anagram International Inc. ("Anagram International"), dated June 26, 2020 (as amended, the "Offering Memorandum"). The Exchange was consummated on July 30, 2020 (the "Effective Date").

Pursuant to the Exchange, tendering holders of Notes ("Holders") exchanged their Notes for (1) shares of common stock ("Shares") of Parent; (2) 5.00% Cash/PIK / 5.00% PIK Senior Secured Second Lien Notes due 2026 ("Anagram 2L Notes") issued by Anagram Holdings LLC ("Anagram LLC") and co-issued by Anagram International; (3) Floating Rate Senior Secured First Lien Notes due 2025 ("PCHI 1L Notes," and together with the Anagram 2L Notes, the "Exchange Notes") issued by PCHI; and (4) in the case of Holders that validly tendered their Notes prior to the Early Participation Time (as defined in the Offering Memorandum), rights ("Rights") to subscribe for 10.00% Cash / 5.00% PIK Senior Secured First Lien Notes due 2025 ("Anagram 1L Notes") issued by Anagram LLC and co-issued by Anagram International.

PCHI intends to take the position that, for U.S. federal income tax purposes, the Exchange is treated as an exchange between Holders and PCHI that qualifies as a partially tax-free "recapitalization" within the meaning of section 368(a)(1)(E) of the Internal Revenue Code of 1986, as amended (the "Code"), with the Exchange Notes treated as "securities" of PCHI for such purposes. The remainder of this document assumes that such treatment is correct. For a detailed description of the Exchange and certain U.S. federal income tax considerations with respect thereto, please see the Offering Memorandum. You should consult your tax advisor regarding PCHI's intended U.S. federal income tax treatment of the Exchange.

15. Describe the quantitative effect of the organizational action on the basis of the security
in the hands of a U.S. shareholder as an adjustment per share or as a percentage of old basis.

*Exchange Notes and Rights.* Based on PCHI's intended U.S. federal income tax treatment of the Exchange, a Holder's initial aggregate tax basis in the Exchange Notes received in the Exchange is equal to the Holder's aggregate adjusted tax basis in the Notes surrendered in the Exchange, decreased by the aggregate fair market value of the Shares and Rights received in the Exchange, and increased by the amount of gain recognized by the Holder on the Exchange (if any). A Holder's initial aggregate tax basis in such Exchange Notes is allocated between the Anagram 2L Notes and PCHI 1L Notes received in the Exchange based on their relative issue prices.

The amount of gain recognized by a Holder on the Exchange is equal to the lesser of (1) the amount of gain realized by the Holder on the Exchange (if any), and (2) the aggregate fair market value of the Shares and Rights received in the Exchange. The amount of gain realized by the Holder on the Exchange is equal to the positive difference (if any) between (1) the sum of the issue prices of the Anagram 2L Notes and PCHI 1L Notes and the aggregate fair market value of the Shares and Rights received in the Exchange, and (2) the Holder's adjusted tax basis in the Notes surrendered in the Exchange. The issue price of a class of Exchange Notes is equal to the fair market value of such Exchange Notes as of the Effective Date.

Based on PCHI's intended U.S. federal income tax treatment of the Exchange, a Holder's tax basis in any Rights received in the Exchange is equal to the fair market value of such Rights as of the Effective Date.

For purposes of the above calculations, PCHI intends to take the position that:

- the fair market value of each $1000 principal amount of Anagram 2L Notes was $760 as of the Effective Date, based on price quotes available for the Anagram 2L Notes following the Exchange;
- the fair market value of each $1000 principal amount of PCHI 1L Notes was $580 as of the Effective Date, based on the trading price of the PCHI 1L Notes following the Exchange;
- the fair market value of each Share was $1.74 as of the Effective Date, which is the closing price of a share of Parent common stock on the New York Stock Exchange on the Effective Date; and
- the fair market value of each Right was equal to 6% of the principal amount of Anagram 1L Notes underlying such Right, which reflects the excess of (1) the fair market value of the Anagram 1L Notes (based on price quotes available for the Anagram 1L Notes following the Exchange), over (2) the purchase price payable upon the exercise of Rights.

*Anagram 1L Notes Received on Exercise of Rights.* Based on PCHI's intended U.S. federal income tax treatment of the Exchange, a Holder's initial tax basis in any Anagram 1L Notes received pursuant to the exercise of Rights received in the Exchange Offer is equal to 106% of the principal amount of such Anagram 1L Notes, which is the sum of (1) the purchase price payable upon the exercise of such Rights, and (2) the tax basis of such Rights (as described above).
You should consult your tax advisor regarding the fair market value of the Exchange Notes, Shares, and Rights as of the Effective Date and the proper method of calculating the issue price and tax basis of any Exchange Notes received in the Exchange and any Anagram 1L Notes received pursuant to the exercise of Rights.

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

See Part II, Box 15.

17. List the applicable Internal Revenue Code section(s) upon which the tax treatment is based.

The tax treatment described above is based on sections 354, 356, 358, 368, 1001, and 1012 of the Code.

18. Can any resulting loss be recognized?

Based on PCHI's intended U.S. federal income tax treatment of the Exchange, Holders (1) may not recognize a loss in connection with the Exchange, (2) may not recognize a loss on the exercise of Rights, and (3) may be entitled to recognize a loss on the expiration of unexercised Rights in an amount equal to the tax basis of such Rights. You should consult your tax advisor regarding the potential recognition of losses in connection with the transaction.

19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The Exchange was consummated on July 30, 2020. For a Holder whose tax year is the calendar year, the reportable tax year is generally the 2020 calendar year.
### Part I  Reporting Issuer

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<tbody>
<tr>
<td>1</td>
<td>Issuer's name</td>
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<tr>
<td>2</td>
<td>Issuer's employer identification number (EIN)</td>
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<tr>
<td>3</td>
<td>Name of contact for additional information</td>
</tr>
<tr>
<td>4</td>
<td>Telephone No. of contact</td>
</tr>
<tr>
<td>5</td>
<td>Email address of contact</td>
</tr>
</tbody>
</table>

**Party City Holdco Inc.**

**Todd Vogensen**  
(914) 345-2020  
tvogensen@partycity.com

| 6 | Number and street (or P.O. box if mail is not delivered to street address) of contact |
| 7 | City, town, or post office, state, and Zip code of contact |

80 Grasslands Road  
Elmsford, NY 10523

### Part II  Organizational Action

Attach additional statements if needed. See back of form for additional questions.

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<td>8</td>
<td>Date of action</td>
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<tr>
<td>9</td>
<td>Classification and description</td>
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**Common stock**

July 30, 2020

| 10 | CUSIP number |
| 11 | Serial number(s) |
| 12 | Ticker symbol |
| 13 | Account number(s) |

**PRTY**

### 14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action

**See attachment.**

### 15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis

**See attachment.**

### 16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates

**See attachment.**
Part II  Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ➤ See attachment.

18 Can any resulting loss be recognized? ➤ See attachment.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ➤ See attachment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature: ___________________________ Date: 9/1/2020

Todd Vogensen

Paid Preparer Use Only

Print/Type preparer's name Prepender's signature Date Check □ if self-employed PTIN

Firm's name: ___________________________ Firm's FIN: ___________________________

Firm's address: ___________________________ Phone: ___________________________
ATTACHMENT TO FORM 8937

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

The organizational action is the offer to exchange (the "Exchange") any and all 6.125% Senior Notes due 2023 of Party City Holdings Inc. ("PCHI") and any and all 6.625% Senior Notes due 2026 of PCHI (collectively, the "Notes") pursuant to the offering memorandum of Party City Holdco Inc. ("Parent"), PCHI, and Anagram International Inc. ("Anagram International"), dated June 26, 2020 (as amended, the "Offering Memorandum"). The Exchange was consummated on July 30, 2020 (the "Effective Date").

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Parent intends to take the position that, for U.S. federal income tax purposes, the Exchange is treated as an exchange between Holders and PCHI that qualifies as a partially tax-free "recapitalization" within the meaning of section 368(a)(1)(E) of the Internal Revenue Code of 1986, as amended (the "Code"). The remainder of this document assumes that such treatment is correct. For a detailed description of the Exchange and certain U.S. federal income tax considerations with respect thereto, please see the Offering Memorandum. You should consult your tax advisor regarding Parent's intended U.S. federal income tax treatment of the Exchange.

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. shareholder as an adjustment per share or as a percentage of old basis.

Based on Parent's intended U.S. federal income tax treatment of the Exchange, a Holder's initial tax basis in each Share received in the Exchange is equal to the fair market value of such Share as of the Effective Date. For this purpose, Parent intends to take the position that the fair market value of each Share was $1.74 as of the Effective Date, which is the closing price of a share of Parent common stock on the New York Stock Exchange on the Effective Date.

You should consult your tax advisor regarding the fair market value of the Shares as of the Effective Date and the proper method of calculating the tax basis of any Shares received in the Exchange.

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.
17. List the applicable Internal Revenue Code section(s) upon which the tax treatment is based.

The tax treatment described above is based on sections 354, 356, 358, 368, 1001, and 1012 of the Code.

18. Can any resulting loss be recognized?

Based on Parent's intended U.S. federal income tax treatment of the Exchange, Holders may not recognize a loss in connection with the Exchange.

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