

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 11
NUMBER HOLDINGS, INC. <i>et al.</i> , <sup>1</sup>	)	
	)	Case No. 24-10719 (JKS)
Debtors.	)	
	)	(Jointly Administered)
	)	
	)	<b>Re: D.I. 171</b>
	)	

**NOTICE OF SALE, BIDDING PROCEDURES, AUCTION, AND SALE HEARING**

**PLEASE TAKE NOTICE** that the above-captioned debtors and debtors in possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the “Court”) on April 7, 2024 (the “Petition Date”).<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that, on April 16, 2024, the Debtors filed a motion (the “Motion”) <sup>3</sup> with the Court seeking entry of orders, among other things, (a) approving the Debtors’ bidding procedures (the “Bidding Procedures”) in connection with the proposed auction (the “Auction”) for the sale (the “Sale”) of substantially all of the Debtors’ remaining assets (the “Assets”),<sup>4</sup> (b) approving procedures for the assumption and assignment of executory contracts and unexpired leases in connection with the Sale, including notice of proposed cure amounts (the “Assumption Procedures”), (c) approving the form and manner of notices related to the Sale and Assumption Procedures, and (d) establishing dates and deadlines in connection with the Sale.

**PLEASE TAKE FURTHER NOTICE** that a hearing is scheduled to be held on May 7, 2024, at 11:00 a.m. (prevailing Eastern Time) for the Court to consider entry of an order (the “Bidding Procedures Order”) granting certain of the relief sought in the Motion, including, among other things, approving the (a) Bidding Procedures, which establish the key dates and times

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<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: (i) Number Holdings, Inc. (1463); (ii) 99 Cents Only Stores LLC (1605); (iii) 99 Cents Only Stores Texas, Inc. (1229); (iv) 99 Cents PropCo LLC (7843); (v) 99 Cents HoldCo LLC (3987); and (vi) Bargain Wholesale LLC (8030). The Debtors’ principal offices are located at 1730 Flight Way, Suite 100, Tustin, CA 92782.

<sup>2</sup> Certain of the Debtors’ voluntary petitions were filed on the docket shortly after midnight (ET) on April 8, 2024.

<sup>3</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

<sup>4</sup> The Debtors reserve the right to monetize Assets other than through the Bidding Procedures, including through private sales or pursuant to the interim or final orders approving the Debtors’ motion to conduct store closing sales (D.I. 13) or the Debtors’ motion regarding the rejection or assumption of executory contracts and unexpired leases (D.I. 14).

related to the Sale and the Auction, and (b) Assumption Procedures. All interested bidders should carefully read the Bidding Procedures Order and the Bidding Procedures in their entirety.<sup>5</sup>

**CONTACT PERSON FOR PARTIES INTERESTED IN SUBMITTING A BID**

The Bidding Procedures set forth the requirements for becoming a Qualified Bidder and submitting a Qualified Bid, and any party interested in making an offer to purchase the Assets must comply strictly with the Bidding Procedures. Only Qualified Bids will be considered by the Debtors, in accordance with the Bidding Procedures.

**Any interested bidder should contact, as soon as possible:**

**Jefferies LLC  
520 Madison Avenue  
New York, New York 10022  
Attn: Jefferies Debt Advisory & Restructuring (project.coin.rx@jefferies.com)**

**and**

**Hilco Real Estate, LLC  
5 Revere Drive, Suite 410  
Northbrook, Illinois 60062  
Attn: Adam Surkis (asurkis@hilcoglobal.com)**

**OBTAINING ADDITIONAL INFORMATION**

Copies of the Motion, the Bidding Procedures, and the Bidding Procedures Order, as well as all related exhibits, and all other documents filed with the Court, are available free of charge on the Debtors' case information website maintained by their claims and noticing agent, Kroll Restructuring Administration LLC ("Kroll"), located at <https://cases.ra.kroll.com/99only/>, or by (i) calling (844) 712-1933 (Domestic) or (646) 777-2513 (International) or (ii) emailing 99onlyinfo@ra.kroll.com.

**IMPORTANT DATES AND DEADLINES<sup>6</sup>**

The Debtors have requested that the Court establish the following dates and deadlines to govern the Debtors' sale process:

1. **Indication of Interest Deadline.** The deadline for tendering a non-binding Indication of Interest is: **April 29, 2024 at 4:00 p.m. (prevailing Eastern Time).**

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<sup>5</sup> To the extent of any inconsistencies between the Bidding Procedures and the summary descriptions of the Bidding Procedures in this notice, the terms of the Bidding Procedures shall control in all respects.

<sup>6</sup> The following dates and deadlines may be modified or extended by the Debtors or the Court.

2. **Bid Deadline.** The deadline to submit a Qualified Bid is: **May 15, 2024 at 4:00 p.m. (prevailing Eastern Time).**
3. **Auction.** If at least two Qualified Bids (including any Stalking Horse Bid) is received by the Bid Deadline, the Debtors will conduct the Auction with respect to such Assets. The Auction will be held **on or before May 21, 2024 at 10:00 a.m. (prevailing Eastern Time)** at the offices of Milbank LLP, 55 Hudson Yards, New York, NY 10001, telephonically, or by video via Zoom, or such later time or other place as the Debtors will timely notify all Qualified Bidders. Only the Debtors, Qualified Bidders, and/or other parties as the Debtors may determine to include in their discretion, in each case, along with their representatives and advisors, shall be entitled to attend the Auction, and only Qualified Bidders will be entitled to make Overbids at the Auction. **All interested or potentially affected parties should carefully read the Bidding Procedures and the Bidding Procedures Order.**
4. **Sale Objection Deadline.** The deadline to file an objection (the “Sale Objection Deadline”) to (i) the Sale and/or (ii) the potential assumption or assumption and assignment of the Assigned Contracts and cure amounts related thereto (except as otherwise set forth in the Assumption Procedures) is **May 14, 2024 at 4:00 pm. (prevailing Eastern Time).**
5. **Auction Objection Deadline.** If the Auction is held, the deadline to file an objection to the conduct of the Auction, the choice of Successful Bidder and/or Backup Bidder and Adequate Assurance Objections with respect to a Successful Bidder and/or Backup Bidder other than the Stalking Horse Bidder is **May 22, at 4:00 pm. (prevailing Eastern Time)** (the “Auction Objection Deadline”).
6. **Sale Hearing.** A hearing (the “Sale Hearing”) to consider approval of the proposed Sale **free and clear of all liens, claims, interests and encumbrances** may be held on **May 23, 2024 at 10:00 a.m. (prevailing Eastern Time)** before the Honorable J. Kate Stickles, Bankruptcy Judge, United States Bankruptcy Court for the District of Delaware, at District of Delaware, at 824 Market Street North, 5th Floor, Wilmington, Delaware 19801, or at such other place (which may be by video conference) and time as the Debtors shall notify all Qualified Bidders and all other parties entitled to attend the Auction. The Debtors have the right to adjourn or cancel the Auction at or prior to the Auction.

The foregoing dates and deadlines are displayed on the Debtors’ case website maintained by Kroll, located at <https://cases.ra.kroll.com/99only/>. Any modifications to the foregoing dates and deadlines will be reflected on the case website.

**The foregoing dates and deadlines may be modified by the Bidding Procedures Order or other order of the Court, and you should review the case website for any modifications.**

### **FILING OBJECTIONS**

The Debtors have requested that Sale Objections and Auction Objections, if any, must (a) be in writing; (b) state, with specificity, the legal and factual bases thereof; (c) be filed with the Court and served on the following parties so as to actually be received by no later than **the Sale Objection Deadline or Auction Objection Deadline**, as applicable: (i) the Debtors, 1730 Flight

Way, Suite 100, Tustin, CA 92782; (ii) proposed counsel to the Debtors, (a) Milbank LLP, 55 Hudson Yards, New York, NY 10001, Attn: Dennis F. Dunne (ddunne@milbank.com); Michael W. Price (mprice@milbank.com); Lauren C. Doyle (ldoyle@milbank.com); Brian Kinney (bkinney@milbank.com); and James McIntyre (jmcintyre@milbank.com), and (b) Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market Street, 16th Floor, P.O. Box 1347, Wilmington, Delaware 19899-1347, Attn: Robert J. Dehney, Sr. (rdehney@morrisnichols.com); Matthew O. Talmo (mtalmo@morrisnichols.com); and Jonathan M. Weyand (jweyand@morrisnichols.com); (iii) counsel to the DIP Agent, DIP Lender, and FILO Agent, Proskauer Rose LLP, Eleven Times Square, New York, NY 10036, Attn: David M. Hillman (dhillman@proskauer.com); (iv) counsel to the ABL Facility Agent, Sidley Austin LLP, One South Dearborn, Chicago, IL 60603, Attn: Dennis M. Twomey (dtwomey@sidley.com) and Jackson T. Garvey (jgarvey@sidley.com), and 350 South Grand Avenue, Los Angeles, CA 90071, Attn: Anna Gumport (agumport@sidley.com); (v) counsel to the Ad Hoc Group of 2026 Noteholders, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attn: Jeffrey D. Saferstein (jeffrey.saferstein@weil.com), Andriana Georgallas (Andriana.georgallas@weil.com), and Chase Bentley (chase.bentley@weil.com); (vi) the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Rosa Sierra-Fox (rosa.sierra-fox@usdoj.gov); and (vii) the Official Committee of Unsecured Creditors.

#### **CONSEQUENCES OF FAILING TO TIMELY ASSERT AN OBJECTION**

*Any party who fails to make a timely Sale Objection on or before the Sale Objection Deadline in accordance with the Bidding Procedures Order shall be forever barred from asserting any Sale Objection, including with respect to the transfer of the assets free and clear of all liens, claims, encumbrances and other interests.*

*Any party who fails to make a timely Auction Objection on or before the Auction Objection Deadline in accordance with the Bidding Procedures Order shall be forever barred from asserting any Auction Objection, including with respect to the transfer of the assets free and clear of all liens, claims, encumbrances and other interests.*

#### **NO SUCCESSOR LIABILITY**

*The Sale will be free and clear of, among other things, any claim arising from any conduct of the Debtors prior to the closing of the Sale, whether known or unknown, whether due or to become due, whether accrued, absolute, contingent or otherwise, so long as such claim arises out of or relates to events occurring prior to the closing of the Sale. Accordingly, as a result of the Sale, any Successful Bidder will not be a successor to any of the Debtors by reason of any theory of law or equity, and such Successful Bidder will have no liability, except as expressly provided in such Successful Bidder's asset purchase agreement, for any liens, claims, encumbrances and other interests against or in any of the Debtors under any theory of law, including successor liability theories.*

Dated: April 25, 2024  
Wilmington, Delaware

**MORRIS, NICHOLS, ARSHT & TUNNELL LLP**

/s/ Erin L. Williamson

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