Docket #0197 Date Filed: 02/09/2026

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
FOOD52, INC.,[1]	Case No. 25-12277 (LSS)
Debtor.	**Ref. Docket Nos. 15 & 80**

DECLARATION OF SAMUEL MCCARTNEY IN SUPPORT OF ENTRY OF SALE ORDERS AUTHORIZING (I) THE SALE OF THE DEBTOR'S ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS; (II) THE DEBTOR TO ENTER INTO AND PERFORM ITS OBLIGATIONS UNDER THE ASSET PURCHASE AGREEMENTS AND RELATED DOCUMENTS; (III) THE DEBTOR TO ASSUME AND ASSIGN CERTAIN CONTRACTS; (IV) WAIVER OF THE STAY PERIODS UNDER BANKRUPTCY RULES 6004(h) AND 6006(d); AND (V) GRANTING RELATED RELIEF

Pursuant to 28 U.S.C. § 1746, I, Samuel McCartney, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a Principal with Core Advisors LLC ("**Core Advisors**"), a boutique investment bank which advises companies across media, consumer, and technology-enabled businesses. The above-captioned debtor and debtor-in-possession (the "**Debtor**") retained Core Advisors as its investment banker in September 2025. The Debtor's and Core Advisors' relationship is currently governed by the terms and conditions of an engagement agreement between the Debtor and Core Advisors dated October 9, 2025, as amended on December 6, 2025. The Court authorized the Debtor's retention of Core Advisors on February 4, 2026 [Docket No. 178].

[1] The Debtor in this chapter 11 case is Food52, Inc. and the last four digits of the Debtor's federal tax identification number are 2738. For the purpose of this chapter 11 case, the Debtor's service address is 1 Dock 72 Way, 13th Floor, Brooklyn, New York 11205.

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2. Since its engagement, Core Advisors has provided investment banking services to the Debtor, including assisting management in evaluating strategic alternatives, conducting extensive meetings and negotiations with various parties in interest, assisting the Debtor in evaluating indications of interest and proposals regarding a potential transaction, facilitating extensive diligence for the various parties in interest, identifying and securing DIP financing and the Stalking Horse Bidder, and assisting in preparation for the filing of the Debtor's chapter 11 case.

3. I am familiar with the *Debtor's Motion for Entry of (I) an Order (A) Approving Bidding Procedures in Connection with the Sale of the Debtor's Assets, (B) Approving Form and Manner of Notice, (C) Approving Designation of Stalking Horse Bidder and Stalking Horse Bid, (D) Scheduling Auction and Sale Hearing, (E) Authorizing Procedures Governing Assumption and Assignment of Certain Contracts and Unexpired Leases, and (F) Granting Related Relief; and (II) an Order (A) Approving Purchase Agreement(s), and (B) Authorizing a Sale Free and Clear of All Liens, Claims, Encumbrances, and Other Interests* [Docket No. 15] (the "**Sale Motion**")[2] for an order approving, among other things, the sale of substantially all of the Debtor's assets (the "**Assets**"). I submit this declaration (this "**Declaration**") in support of entry of (i) an order approving the sale of the Food52 assets to F52, LLC; (ii) an order approving the sale of the Schoolhouse assets to Troy-CSL Lighting, Inc.; and (iii) an order approving the sale of the Dansk assets to Form Portfolios LLC.

4. The facts set forth in this Declaration are based upon my personal knowledge, information, and belief, my review of relevant documents, or my opinion based upon experience,

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Sale Motion or the First Day Declaration (as defined below), as applicable.

knowledge, and information concerning the Debtor, and upon information supplied to me by the Debtor's professionals. If called as a witness, I could and would testify competently to the facts set forth herein.

A. Background Regarding the Debtor's Pre-Petition Marketing and Sale Process

5. As set forth in the *Declaration of Erika Badan in Support of Chapter 11 Petition and First Day Motions* [Docket No. 2] (the "**First Day Declaration**"), Core Advisors commenced a marketing process for the Debtor's assets in September 2025. Core Advisors solicited interest from 135 prospective strategic and financial buyers and circulated a detailed "teaser" and description of the opportunity to acquire the Debtor's assets to prospective purchasers. Ultimately, 27 parties signed NDAs with the Company and were provided access to the data room as a result of Core Advisors' outreach.

6. On December 11, 2025, six parties submitted indications of interest ("**IOIs**"), with a seventh submitted on December 15, 2025. However, before the Debtor was able to move forward with those prospective buyers, on December 15, 2025, the Debtor's pre-petition secured lender, Avidbank, swept the Debtor's cash from its bank accounts, forcing the Debtor to terminate approximately sixty percent of its employees on December 17, 2025, and an additional 20% on December 26, 2025, and requiring the Debtor to identify an emergency solution short of a complete shutdown.

7. The Debtor and its advisors immediately pivoted, working around the clock to identify any solution that could preserve the Company—or any segment thereof—as a going concern and potentially save jobs and vendor relationships. Core Advisors immediately reached out to five of the parties who submitted IOIs, and informed them that any actionable bid would need to include financing to fund the Debtor's operations through the closing of a sale transaction

on an expedited timeline. The Debtor also contacted various third-party liquidators regarding the immediate liquidation of inventory as well as the potential sale of certain receivables in exchange for up-front cash. Ultimately, only one party—F52, LLC—submitted an actionable bid for the Debtor's assets.

B. Background Regarding the Debtor's Post-Petition Marketing and Sale Process

8. The Debtor commenced this chapter 11 case on December 29, 2025 (the "**Petition Date**"), with a signed asset purchase agreement and committed DIP financing in the amount of $3.42 million from F52, LLC, who was subsequently approved by the Court as the Stalking Horse Bidder on January 12, 2026 [Docket No. 80] (such order, the "**Bidding Procedures Order**"). The consideration under the Stalking Horse APA provided for a total purchase price of $6.5 million, a portion of which would be satisfied through a credit bid of the DIP obligations, and certain assumed liabilities. The Bidding Procedures Order approved certain bid protections for the Stalking Horse Bidder, including a Break-Up Fee of $200,000 and an Expense Reimbursement of up to $200,000, and scheduled various dates, including a Bid Deadline of February 3, 2026 at 4:00 p.m. (ET), an Auction, if applicable, on February 5, 2026 at 10:00 a.m. (ET), and a hearing for the Court to consider approval of one or more sales on February 10, 2026 at 2:00 p.m. (ET).

9. Following the Petition Date, Core Advisors continued to market the Assets, both in whole, by business, or any combination thereof, preserving flexibility to maximize value for the Debtor's estate. Core Advisors engaged with 48 parties post-petition, including 20 potential bidders from Core Advisors' pre-petition process and 28 new potential bidders. Core Advisors provided data room access to 33 potential bidders, processed diligence requests from 18 potential bidders, facilitated 16 management meetings, and coordinated meetings between potential bidders and the Debtor's restructuring counsel at Young Conaway Stargatt & Taylor, LLP.

10. Ultimately, in addition to the Stalking Horse Bidder, the Debtor received Qualified Bids for either substantially all the Assets or individual businesses from: (i) Static Media Inc.; (ii) Jonathan Y Designs, Inc.; (iii) Studio Tigress LLC; (iv) Form Portfolios LLC; (v) Troy-CSL Lighting, Inc.; (vi) SH Operations, LLC; and (vii) Morning Bell, LLC. Jonathan Y Designs, Inc. later withdrew its Qualified Bid following pricing discussions with the Debtor's consent.

11. The determination that the bids were Qualified Bids was made by the Debtor and its professionals after discussions and negotiations with the bidders subsequent to their submissions, and in consultation with the advisors to the Committee and The Chernin Group (together, the "**Consultation Parties**").

12. Given the extensive marketing undertaken, I believe that the Debtor and Core Advisors had sufficient time to conduct a robust marketing and solicitation process to ensure that a market-tested purchase price is obtained. Accordingly, the Debtor had sufficient time to solicit offers and conduct the Auction to determine the highest and best offer for the Sale of the Assets.

C. Auction

13. In accordance with the Bidding Procedures Order, the Auction commenced on February 5, 2026 at 12:23 p.m. (ET).

14. Representatives from the Qualified Bidders were present at the Auction in person or virtually. Counsel and other representatives for the Consultation Parties were present at the Auction in person or virtually. Throughout the Auction, the Debtor and its advisors consulted with the Consultation Parties in accordance with the Bidding Procedures.

15. At the opening of the Auction, the Debtor announced that it had selected the Qualified Bid submitted by Static Media Inc. for $7.1 million as the Baseline Bid for substantially all of the Assets as a going concern. The Debtor conducted the Auction in the following order:

(i) Qualified Bids on all Assets; (ii) Qualified Bids on Food52 and Schoolhouse; (iii) Qualified Bids on Food52; and (iv) Qualified Bids on Schoolhouse. At the conclusion of the all Asset Auction, following several rounds of bidding, the highest bid was submitted by F52, LLC, valued at $8.2 million, and the second highest bid was submitted by Static Media Inc. in the amount of $8.1 million in cash.

16. The Debtor then conducted the Auction on Food52 and Schoolhouse and announced that it had selected F52, LLC's modified Qualified Bid for those two brands, valued at $8.2 million, as the Baseline Bid for Food52 and Schoolhouse. At the conclusion of the Food52 and Schoolhouse Auction, following several rounds of bidding, the highest bid was submitted by F52, LLC, valued at $10.2 million, and the second highest bid was submitted by Static Media Inc. in the amount of $10.1 million in cash.

17. The Debtor then conducted the Auction on Food52 and announced that it had selected Static Media Inc.'s modified Qualified Bid for Food52 in the amount of $10.2 million in cash as the Baseline Bid for Food52. At the conclusion of the Food52 Auction, following one round of bidding, the Debtor selected F52, LLC's Qualified Bid, valued at $10.3 million (comprised of a purchase price of $9.9 million and a $400,000 credit for F52, LLC's Break-Up Fee and Expense Reimbursement) as the Successful Bid for Food52 and Static Media Inc.'s Qualified Bid, in the amount of $10.2 million in cash, as the Backup Bid.

18. The Debtor then conducted the Auction on Schoolhouse and announced that it had selected the Qualified Bid submitted by SH Operations, LLC, an affiliate of CSC Generation Holdings, LLC, valued at $700,000, as the Baseline Bid for the Schoolhouse Auction. The other Qualified Bidders for the Schoolhouse Auction included: (i) F52, LLC; (ii) Studio Tigress LLC; (iii) Troy-CSL Lighting, Inc.; and (iv) Morning Bell, LLC. Static Media Inc. elected not to

participate in the Schoolhouse Auction. At the conclusion of the Schoolhouse Auction, the Debtor selected Troy-CSL Lighting, Inc.'s Qualified Bid, in the amount of $2.2 million in cash plus the assumption of certain liabilities, as the Successful Bid and selected SH Operations, LLC's Qualified Bid, in the amount of $2.1 million in cash plus the assumption of certain liabilities, as the Backup Bid.

19. Following the Schoolhouse Auction, Form Portfolios LLC was the only Qualified Bidder for all of the Dansk assets,[3] and, as a result, an auction was not held on the Dansk assets and Form Portfolios LLC's Qualified Bid was selected as the Successful Bid, in the amount of $250,000 in cash plus the waiver of any administrative expense claim entitled to priority under sections 503(b) or 507(a)(2) of the Bankruptcy Code that Form Portfolios LLC may hold against the Debtor.[4]

20. The total combined closing consideration provided by the three Successful Bids is $12.35 million plus the assumption of certain liabilities, as summarized below:

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3 At the beginning of the Auction, F52, LLC and Static Media Inc. revised their Qualified Bids to remove the disputed Dansk assets.

4 Form Portfolios LLC asserted an administrative expense claim against the Debtor for the Debtor's alleged post-petition use of Form Portfolio LLC's intellectual property in connection with the Dansk business, which it asserted would be a minimum of $500,000. The Debtor disputes any administrative expense claim that may be submitted by Form Portfolios LLC and reserves all rights, but took the value of a potential administrative expense claim into consideration when evaluating Form Portfolio LLC's bid.

Successful Bids	**Back-Up Bids**
F52, LLC: $9.9 million, plus the assumption of certain liabilities, for the Food52 assets. The purchase price accounts for a $400,000 credit for F52, LLC's Breakup Fee and Expense Reimbursement as the Stalking Horse Bidder. **Troy-CSL Lighting, Inc.:** $2.2 million in cash, plus the assumption of certain liabilities, for the Schoolhouse assets. **Form Portfolios LLC:** $250,000 in cash, plus the waiver of any administrative expense claim entitled to priority under sections 503(b) or 507(a)(2) of the Bankruptcy Code that Form Portfolios LLC may hold against the Debtor.	**Static Media Inc.:** $10.2 million in cash, plus the assumption of certain liabilities, in the event F52, LLC is unable to close on the Sale of the Food52 assets. **SH Operations, LLC:** $2.1 million in cash, plus the assumption of certain liabilities, in the event that Troy-CSL Lighting, Inc. is unable to close on the Sale of the Schoolhouse assets.

21. In my opinion, the Debtor, each of the Qualified Bidders, including each of the Successful Bidders and Backup Bidders, based on representations made on the record at the Auction and their Qualified Bid submissions, and each of the Consultation Parties, acted in good faith and in accordance with the Bidding Procedures Order, the Bidding Procedures, and the rules announced at the Auction, and there was no collusion at the Auction.

22. In my view, the Successful Bids constitute fair and reasonable consideration for the Assets and provide a greater recovery for the Debtor's estate and creditors than would be provided by any other available alternative. The asset purchase agreements related to the Successful Bids were negotiated, proposed, and are being entered into by the Debtor and the Successful Bidders as the result of arm's-length bargaining positions and in consultation with the Consultation Parties.

23. Moreover, pursuant to the Bidding Procedures, the Debtor was required to provide financial and other information supporting the applicable Successful Bidders' ability to comply with the requirements of adequate assurance of future performance and demonstrating the Successful Bidders' financial wherewithal and ability to perform under unexpired leases. On January 30, 2026, the Debtor filed a motion [Docket No. 161] seeking to reject both of its

unexpired real property leases and, as such, no unexpired real property leases are being assigned in connection with any of the Sales.

24. The Successful Bidders have demonstrated that they have the financial wherewithal to close on their respective Sales and to meet their obligations under the Assumed Contracts. F52, LLC submitted a signed statement regarding its financial wherewithal, which is available on the docket at Docket No. 115, stating: "If the proposed transaction is consummated, F52 will fund amounts due at closing with equity contributions from its Financial Sponsors. Marquee and ATK combined have more than sufficient cash on hand to pay the purchase price for the assets in cash, in full at closing without the need for equity infusions by any other entities." Troy-CSL Lighting, Inc. and Form Portfolios, LLC also submitted documentation demonstrating that they have sufficient cash on hand to close on their responsive sales and they have no financing contingencies.

25. Accordingly, I believe that the Successful Bids represent the highest and best offers available for the Assets after the reasonable and thorough marketing and auction process conducted by Core Advisors and the Debtor. I believe that, as a matter of sound business judgment, consummation of the transactions with the Successful Bidders will maximize the value of the Assets and will provide the best possible result and recovery for the Debtor's estate and its creditors.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: February 9, 2026

<u>/s/ Samuel McCartney</u>
Samuel McCartney
Principal
Core Advisors LLC