

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

In re:

WELLMADE FLOOR COVERINGS
INTERNATIONAL, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 25-58764

(Jointly Administered)

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

PLEASE TAKE NOTICE THAT:

1. On August 4, 2025, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Georgia (the “Court”).

2. On August 8, 2025, the Debtors filed the *Motion of the Debtors for Entry of Orders (I)(A) Establishing Bidding Procedures Relating to the Sale of the Debtors’ Assets, (B) Approving the Debtors’ Entry into the Stalking Horse Purchase Agreement and Related Bid Protections, (C) Establishing Procedures Relating to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (D) Approving Form and Manner of Notices Relating Thereto, (E) Scheduling a Hearing to Consider the Proposed Sale, and (F) Granting Related Relief* (the “Bid Procedures Motion”); and (II)(A) *Approving the Sale of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* [D.I. 38] (the “Sale Motion”, and together with the Bid Procedures Motion, the “Motion”)² with the Court.

3. At a hearing on August 21, 2025, the Court approved the Bid Procedures Motion [D.I. 99] (the “Bidding Procedures Order”).

4. The Debtors are seeking competitive bids in connection with a sale (the “Sale”) of any portion, or all, of the assets of the Debtors (the “Assets”).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Wellmade Industries MFR, N.A. LLC (1058) and Wellmade Floor Coverings International, Inc. (8425). The mailing address for the Debtors for purposes of these chapter 11 cases is: 1 Wellmade Drive, Cartersville, GA 30121.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.



5. As set forth in the Motion and the Bidding Procedures (which are annexed to the Bidding Procedures Order), the Debtors have entered into the Stalking Horse Purchase Agreement for the sale of substantially all of the Assets, which is subject to higher or otherwise better offers.

6. Approval of the Sale of the Assets to the Stalking Horse Bidder or other Successful Bidder may result in, among other things, the assumption, assignment, and/or transfer by the Debtors of certain executory contracts and unexpired leases. If you are counterparty to an executory contract or unexpired lease with the Debtors, you will receive a separate notice regarding the Assumption and Assignment Procedures that contains additional relevant dates and other information that may impact you as counterparty to such executory contract or unexpired lease.

CONTACT PERSONS FOR PARTIES INTERESTED IN SUBMITTING A BID

7. The Bidding Procedures set forth the requirements for submitting a Qualified Bid, and any person 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.** Any interested persons should contact:

[Proposed] Investment Banker to Debtors (via electronic mail)	[Proposed] Counsel to Debtors (via electronic mail)
Hilco Corporate Finance Attn: Teri Stratton (tstratton@hilcofc.com), copying Emily Xiao (exiao@hilcofc.com)	Greenberg Traurig, LLP Terminus 200 3333 Piedmont Road, NE, Suite 2500 Atlanta, Georgia 30305 Telephone: (678) 553-2100 Attn: John D. Elrod (elrodj@gtlaw.com) Allison J. McGregor (Allison.McGregor@gtlaw.com) and Greenberg Traurig, P.A. 333 S.E. 2 nd Avenue, Suite 4400 Miami, FL 33131 Telephone: (305) 579-0868 Attn: Ari Newman (newmanar@gtlaw.com)

OBTAINING ADDITIONAL INFORMATION

8. Copies of the Motion, the Bidding Procedures Order, the Bidding Procedures, and other case documents can be obtained free of charge (i) on the case website maintained by the Debtors' claims and noticing agent, Kurtzman Carson Consultants, LLC d/b/a Verita Global, at <https://www.veritaglobal.net/wellmade> or (ii) upon written request to counsel to the Debtors undersigned below.

IMPORTANT DATES AND DEADLINES

9. The dates and deadlines set forth below have been approved by the Bidding Procedures Order:

- a) The deadline for Qualified Bidders to submit a binding Qualified Bid is September 19, 2025 at 4:00 p.m. (prevailing Eastern Time) (the “Bid Deadline”).
- b) The deadline to object to the Sale and entry of an order by the Court approving the Sale (a “Sale Objection”), including objections to Cure Costs and to the adequate assurance of future performance by the Stalking Horse Bidder, is September 19, 2025 at 4:00 p.m. (prevailing Eastern Time) (the “Sale Objection Deadline”).
- c) In the event that the Debtors receive two or more Qualified Bids by the Bid Deadline for the same Assets (in whole or in part), the Debtors intend to conduct an Auction to determine the highest or otherwise best bid with respect to the Assets. The Auction shall commence at 10:00 a.m. (prevailing Eastern Time) on September 23, 2025, at the offices of Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, NE, Suite 2500, Atlanta, Georgia 30305, or such other place as determined by the Debtors, and continue thereafter until completed. Any creditor that submits a written request to attend the Auction to counsel for the Debtors no later than one (1) business day prior to the Auction shall be entitled to attend the Auction; a request must include the creditor’s email address.
- d) In the event an Auction is conducted for the Assets, following the conclusion of the Auction and not later than September 24, 2025, subject to the filing of a notice by the Debtors indicating that the Auction has not concluded by such time, the Debtors will file a notice with the Court that provides the identities of the Successful Bidder and the Backup Bidder, as well as the Successful Bid and the Backup Bid. In addition to serving such notice on the United States Trustee, the Debtors will serve such notice by fax, electronic mail, or overnight delivery (with overnight delivery to be used solely in the event neither fax nor electronic mail information is available) on (i) the non-Debtor parties to the Assumed Contracts that have been identified in such Successful Bid and Backup Bid and (ii) those creditors who provide a written request for such notice along with their fax numbers, email addresses, or mailing addresses to counsel for the Debtors.
- e) The deadline by which all objections to (i) the manner of and conduct at the Auction (if applicable), and/or (ii) the identity/adequate assurance information of the Successful Bidder (other than the Stalking Horse Bidder) (an “Auction Objection”) is September 25, 2025 at 4:00 p.m. (prevailing Eastern Time) (the “Post-Auction Objection Deadline”).
- f) The Sale Hearing shall be conducted by the Court on September 29, 2025 at 10:00 a.m. (prevailing Eastern Time), or on such other date as the Court may direct.

OBJECTIONS

10. All Sale Objections and Auction Objections must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof, (c) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of this Court, and (d) be filed with the Court and served so as to be **actually received** no later than the Sale Objection Deadline and Post-Auction Objection Deadline (as applicable) by:

a. proposed counsel for the Debtors, Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, NE, Suite 2500, Atlanta, Georgia 30305, Attn: John D. Elrod (elrodj@gtlaw.com), Ari Newman (newmanar@gtlaw.com), and Allison McGregor (Allison.McGregor@gtlaw.com);

b. the Office of the U.S. Trustee, 362 Richard B. Russell Federal Building, 75 Ted Turner Drive, S.W. Room 362, Atlanta, Georgia 30303, Attn: Lindsay P. S. Kolba, Esq. (lindsay.p.kolba@usdoj.gov);

c. counsel for the Debtors' Prepetition Lender and the Stalking Horse Bidder, King & Spalding LLP, 1180 Peachtree Street NE, Suite 1700, Atlanta, Georgia 30309, Attn: W. Austin Jowers (ajowers@kslaw.com) and Christopher K. Coleman (christopher.coleman@kslaw.com);

d. counsel to the DIP Lender, Rountree Leitman Klein & Geer, LLC, 2987 Clairmont Rd., Ste. 350, Atlanta, Georgia 30329, Attn: Will B. Geer (wgeer@rlkglaw.com) and William A. Rountree (wrountree@rlkglaw.com);

e. proposed counsel to the Official Committee of Unsecured Creditors appointed in these Chapter 11 Cases, Pachulski Stang Ziehl & Jones LLP, 1700 Broadway, 36th Floor, New York, New York 10019, Attn: Bradford J. Sandler, (Bsandler@pszjlaw.com), and Cia Mackle (Cmackle@pszjlaw.com); and

f. all parties that have requested notice in these Chapter 11 Cases.

CONSEQUENCES OF FAILING TO TIMELY ASSERT AN OBJECTION

ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION ON OR BEFORE THE APPLICABLE OBJECTION DEADLINE IN ACCORDANCE WITH THE ENTERED BIDDING PROCEDURES ORDER MAY BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE TRANSFERRED ASSETS OF THE DEBTOR ESTATES FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS EFFECTED THEREUNDER.

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, THE SUCCESSFUL BIDDER WILL NOT BE A SUCCESSOR TO ANY OF THE DEBTORS BY REASON OF ANY THEORY OF LAW OR EQUITY, AND THE SUCCESSFUL BIDDER WILL HAVE NO LIABILITY, EXCEPT AS EXPRESSLY PROVIDED IN THE 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: August 26, 2025

GREENBERG TRAURIG, LLP

/s/ John D. Elrod

John D. Elrod (Ga. Bar. No. 246604)
Allison J. McGregor (Ga. Bar. No. 860865)
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3333 Piedmont Road, NE, Suite 2500
Atlanta, Georgia 30305
Telephone: (678) 553-2100
Email: elrodj@gtlaw.com
Allison.McGregor@gtlaw.com

*[Proposed] Counsel for the Debtors and
Debtors in Possession*