

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

	)	
In re:	)	Chapter 11
	)	
PARTY CITY HOLDCO INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 24-90621 (ARP)
	)	
Debtors.	)	(Jointly Administered)
	)	

**NOTICE OF SUCCESSFUL BIDDER(S)  
AND BACKUP BIDDER FOR SALE OF NON-LEASE ASSETS**

[Related to Docket Nos. 94, 332, 333, and 464]

**PLEASE TAKE NOTICE** that on December 24, 2024, the United States Bankruptcy Court for the Southern District of Texas (the “Court”) entered the *Order (I) Approving (A) Procedures for the Sale of Substantially all of the Debtors’ Assets, (B) Procedures for the De Minimis Sale of Certain of the Debtors’ Assets and (C) Assumption And Assignment Procedures, (II) Approving (A) the Sale of the Debtors’ Assets Free and Clear of Liens, Claims, Interests, And Encumbrances, (B) the Assumption and Assignment of Executory Contracts and Unexpired Leases and (III) Granting Related Relief* [Docket No. 94] (the “Order”),<sup>2</sup> by which the Court approved procedures (such procedures, the “Bidding Procedures”) for setting forth the process by which the Debtors are authorized to conduct an auction (the “Auction”) the sale of substantially all of their assets.

**PLEASE TAKE FURTHER NOTICE** that, on January 24, 2025, the Debtors filed the *Notice of Bid Deadline and Potential Sale Hearing Related to Non-Lease Assets* [Docket No. 332] (the “Sale Notice”). Consistent with the Bidding Procedures approved by the Court’s Order, the Sale Notice notified interested parties of the Debtors’ intention to solicit offers for the sale, assignment, or other disposition (the “Sale”) of all, substantially all, or any portion of the Debtors’ non-Lease Assets (the “Offered Non-Lease Assets”), and provided that an Auction would be held on or about February 6, 2025.

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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, are: Party City Holdco Inc. (9758); Amscan Inc. (1359); Am-Source, LLC (8427); Party City Corporation (3692); Party City Holdings Inc. (3029); PC Intermediate Holdings, Inc. (1229); and Trisar, Inc. (0659). The location of the Debtors’ service address for purposes of these chapter 11 cases is: 100 Tice Boulevard, Woodcliff Lake, New Jersey 07677.

<sup>2</sup> All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Order or the Debtors’ *Motion for Entry of an Order Approving (A) Procedures for the Sale of Substantially all of the Debtors’ Assets, (B) Procedures for the De Minimis Sale of Certain of the Debtors’ Assets and (C) Assumption And Assignment Procedures, (II) Approving (A) the Sale of the Debtors’ Assets Free and Clear of Liens, Claims, Interests, And Encumbrances, (B) the Assumption and Assignment of Executory Contracts and Unexpired Leases and (III) Granting Related Relief* [Docket No. 28].

**PLEASE TAKE FURTHER NOTICE** that, on January 24, 2025, the Debtors filed the *Notice of Stalking Horse Agreement Related to Certain Non-Lease Assets and Proposed Bid Protections* [Docket No. 333] (the “Stalking Horse Notice”). The Stalking Horse Notice notified interested parties of the Debtors’ intention to designate New Amscan PC, LLC as the Stalking Horse Bidder for the “Purchased Assets,” as defined and set forth in that certain Asset Purchase Agreement dated as of January 24, 2025, by and among New Amscan PC, LLC, as buyer and Party City Holdco Inc., as Seller (the “Stalking Horse APA”), a copy of which was attached thereto as Exhibit A. The Stalking Horse Notice also notified interested parties of the Stalking Horse APA’s Break-Up Fee in favor of New Amscan PC, LLC.

**PLEASE TAKE FURTHER NOTICE** that, on February 5, 2025, the Debtors filed the *Notice of Qualified Bidder and Auction Information for Sale of Non-Lease Assets* [Docket No. 464] (the “Qualified Bidder Notice”), which provided notice that the Debtors received two (2) or more Qualified Bids for the Non-Lease Assets For Auction and that the Debtors would conduct an Auction for the sale of Non-Lease Assets for Auction at 9:00 a.m. (prevailing Central Time) on Thursday, February 6, 2025, by videoconference.

**PLEASE TAKE FURTHER NOTICE** that on Thursday, February 6, 2025 at 9:00 a.m. (prevailing Central Time), the Debtors conducted an Auction for the sale of Non-Lease Assets by videoconference.

**PLEASE TAKE FURTHER NOTICE** that, at the conclusion of the Auction, the Debtors, in consultation with their professionals and the Consultation Parties, selected New Amscan PC, LLC as the successful bidder (the “Successful Bidder”) with a Successful Bid with a net value of \$20 million comprised of \$16 million in cash as well as additional consideration, and Michaels Stores Procurement Company, Inc. as the backup bidder (the “Backup Bidder”).

**PLEASE TAKE FURTHER NOTICE** that, Exhibit A attached hereto is the cure notice (the “Cure Notice”), which provides that the Contract Counterparties have until February 21, 2025 to file an Objection with the Court on the basis of the proposed Cure Costs or adequate assurance of future performance.

**PLEASE TAKE FURTHER NOTICE** that, absent an Objection being timely filed, the sale or assumption and assignment of each Asset shall become effective on the date that the Debtors, the proposed purchaser or assignee, and, to the extent applicable, the relevant Selected Contract Counterparty agree.

**PLEASE TAKE FURTHER NOTICE** that the hearing to consider approval of the Sale and the transfer of the Non-Lease Assets to the Successful Bidder(s), free and clear of all liens, claims, interests, and encumbrances in accordance with Bankruptcy Code section 363(f) (the “Sale Hearing”), will be held before the Honorable Judge Alfredo R. Perez, United States Bankruptcy Judge for the Southern District of Texas, on **Wednesday, February 26, 2025, at 9:00 a.m. (prevailing Central Time)** in Courtroom 400, 4th Floor, 515 Rusk Avenue, Houston, Texas 77002 or by videoconference or such other form of remote communication established by the Court. Unless the Court orders otherwise or as agreed to by the applicable parties, the Sale Hearing shall be an evidentiary hearing on matters relating to the sale and there will be no further bidding at the Sale Hearing. In the event that the Successful Bidder cannot or refuses to consummate the

sale following entry of a Sale Order because of the breach or failure on the part of the Successful Bidder, the Debtors shall promptly file a supplemental notice on or before the Sale Closing Deadline, seeking to approve the sale to the Backup Bidder, if applicable, on expedited notice and a hearing. The Sale Hearing may be adjourned from time to time without further notice to creditors or other parties in interest other than by announcement of the adjournment in open court or by notice filed on the docket in these chapter 11 cases.

**PLEASE TAKE FURTHER NOTICE** that, to the extent applicable, the Debtors believe that the party to which each Selected Contract will be assigned has the financial wherewithal to meet all future obligations under such Selected Contract and the Debtors will, within 24 hours of the Auction, provide evidence thereof to such applicable Selected Contract Counterparty (and their counsel, if known) thereby demonstrating that the proposed assignee of the Selected Contract has the ability to comply with the requirements of adequate assurance of future performance.

**PLEASE TAKE FURTHER NOTICE THAT** any party that objects to the Sale must file a written objection (each, a “Sale Objection”) so that such Sale Objection is filed with the Court so as to be actually received by **Friday, February 14, 2025, at 5:00 p.m. (prevailing Central Time)** and serve such Sale Objection on (a) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019; (b) Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002; (c) the Office of the United States Trustee for the Southern District of Texas; (d) proposed counsel to the Official Committee of Unsecured Creditors (i) Pachulski Stang Ziehl & Jones LLP, 440 Louisiana Street, Suite 900, Houston, TX 77002, Attn: Michael D. Warner and Benjamin L. Wallen, and (ii) Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue, 34th Floor, New York, NY 10017, Attn: Robert J. Feinstein, Bradford J. Sandler, Shirley S. Cho, and Steven W. Golden; (e) the Lender Notice Parties (as defined in the Motion); (f) DLA Piper LLP (US), 1251 Avenue of the Americas, New York, New York 10020, Attn: Richard A. Chesley, Jamila Justine Willis, and Malithi Fernando; and (g) the applicable Successful Bidder and Backup Bidder; provided that objections to a proposed assumption and assignment, a Successful Bidder’s proposed form of adequate assurance of future performance, and/or Cure Costs must be filed with the Court so as to actually be received by **Thursday, February 20, 2025, at 5:00 p.m. (prevailing Central Time)**.

**CONSEQUENCES OF FAILING TO TIMELY MAKE AN OBJECTION**

**ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE ON OR BEFORE THE SALE OBJECTION DEADLINE IN ACCORDANCE WITH THE ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE DISPOSITION OF THE DEBTORS’ ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN SUCH OTHER AGREEMENT WITH THE SUCCESSFUL BIDDER.**

**PLEASE TAKE FURTHER NOTICE** that, if an Objection is timely filed and not withdrawn or resolved, such Objection will be heard at the Sale Hearing or such other date and time as agreed to by the Debtors and the objecting party or ordered by the Court.

**PLEASE TAKE FURTHER NOTICE** that copies of the Bidding Procedures, the Order, as well as all related exhibits, including the form assumption and assignment agreement, and all other documents filed with the Court are available: (a) upon request to Kroll Restructuring Administration LLC (the claims, noticing, and solicitation agent retained in these chapter 11 cases) by calling (877) 510-9565 (toll-free) or, for international callers, (646) 798-8469; (b) by visiting the website maintained in these chapter 11 cases at <https://cases.ra.kroll.com/PCHI2024>; or (c) for a fee via PACER by visiting <http://www.txsb.uscourts.gov>.

*[Reminder of page intentionally left blank]*

February 7, 2025

Respectfully submitted,

By: /s/ John F. Higgins

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*Proposed Counsel to the Debtors  
and the Debtors in Possession*

**Certificate of Service**

I certify that on February 7, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ John F. Higgins  
John F. Higgins

**Exhibit A**  
**Cure Notice**

COUNTERPARTY	SELECTED CONTRACT	CURE AMOUNT
Abston Enterprises	Franchise Agreement (Term Ending April 3, 2031)	\$0
Abston Enterprises	Franchise Agreement (Term Ending October 3, 2033)	\$0
Anagram Australia PTY Ltd	Customer Agreement (Amscan Supply Agreement)	\$0
Art the Clown	IP Agreement (Art the Clown, Terrifier)	\$13,000
BBC	IP Agreement (Bluey - US, terr and Poss)	\$167,000
BBC	IP Agreement (Bluey - Canada)	\$0
Culebra Party Company	Franchise Agreement (Term Ending April 22, 2028)	\$0
DJMJ Enterprises	Franchise Agreement (Term Ending July 21, 2029)	\$0
Dojo Enterprises	Franchise Agreement (Term Ending July 30, 2023)	\$0
Dr Seuss	IP Agreement (Dr Seuss- US/PR/MX)	\$133,000
Dr Seuss	IP Agreement (Dr Seuss- CN)	\$4,000
Lasseter Enterprises, Inc.	Franchise Agreement (Term Ending January 20, 2028)	\$0
LN and NN	Franchise Agreement (Term Ending February 1, 2027)	\$0
M. Patel Enterprises	Franchise Agreement (Term Ending April 28, 2026)	\$0
M. Patel Enterprises	Franchise Agreement (Term Ending April 28, 2026)	\$0
Microsoft	IP Agreement (Minecraft)	\$165,000
Moonbug Entertainment	IP Agreement (Cocomelon)	\$19,000
Nintendo	IP Agreement (US terr & poss, CN and MX)	\$175,000



COUNTERPARTY	SELECTED CONTRACT	CURE AMOUNT
Party City of Arkansas	Franchise Agreement (Term Ending July 20, 2025)	\$0
Party City of Arkansas	Franchise Agreement (Term Ending February 1, 2029)	\$0
Party City of Arkansas	Franchise Agreement (Term Ending July 17, 2032)	\$0
Party City of Arkansas	Franchise Agreement (Term Ending April 3, 2034)	\$0
Party City of Arkansas	Franchise Agreement (Term Ending April 3, 2034)	\$0
Party City of Chesterfield	Franchise Agreement (Term Ending July 11, 2031)	\$0
Party City of Hawaii	Franchise Agreement (Term Ending August 28, 2029)	\$0
Party City of Hawaii	Franchise Agreement (Term Ending September 27, 2030)	\$0
Party City of Puerto Rico	Franchise Agreement (Term Ending February 23, 2028)	\$0
Party City of Puerto Rico	Franchise Agreement (Term Ending May 25, 2029)	\$0
Party City of Puerto Rico	Franchise Agreement (Term Ending June 18, 2029)	\$0
Party City of Puerto Rico	Franchise Agreement (Term Ending October 29, 2029)	\$0
Party City of Puerto Rico	Franchise Agreement (Term Ending September 26, 2030)	\$0
Party City of Richmond	Franchise Agreement (Term Ending August 12, 2029)	\$0
Pokemon	IP Agreement (Pokemon US/CN MX)	\$280,000
SJ Craig Corporation	Franchise Agreement (Term Ending July 29, 2025)	\$0
SJ Craig Corporation	Franchise Agreement (Term Ending August 9, 2026)	\$0

COUNTERPARTY	SELECTED CONTRACT	CURE AMOUNT
SJ Craig Corporation	Franchise Agreement (Term Ending October 5, 2026)	\$0
SJ Craig Corporation	Franchise Agreement (Term Ending October 2, 2027)	\$0
SJ Craig Corporation	Franchise Agreement (Term Ending September 8, 2030)	\$0
SJ Craig Corporation	Franchise Agreement (Term Ending June 21, 2031)	\$0
SWM Party Company	Franchise Agreement (Term Ending September 15, 2027)	\$0
Viz Media	IP Agreement (Naruto – Costumes)	\$11,000
Viz Media	IP Agreement (Naruto – Party, Balloons, Standees)	\$10,000